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AUSTRALIA

TRANSPORTATION ENTREPRENEUR LEADS DELEGATION TO PRC

Melbourne THE AGE in English 11 May 85 p 14

[Article by Tony Harrington: "Abeles Explains China Mission"]

[Text]

PERTH. — The head of the Ansett/TNT transport empire, Sir Peter Abeles, said yesterday that his trip to China next month was part of a move to develop an international aviation company, selling expertise and leasing crew and equipment.

Sir Peter also strongly denied his close friendship with the Prime Minister. Mr Hawke, had earned him the right to represent the Australian Government on the China mission.

The mission will include senior executives from Sir Peter's Ansett and TNT groups, and officials of the Australian departments of trade, transport and aviation.

Sir Peter said yesterday that he originally had planned to lead an Ansett-TNT delegation to China, as part of a plan by both groups to sell their expertise and management skills overseas, but was asked by the Prime Minister, Mr Hawke, to include Government officials in the party.

He said the request came during a recent visit to Australia by senior Chinese Government officials, who asked the Federal Government for technical help in transport development.

"I'll now be over there on one side trying to go for specifics for Ansett and TNT and on the other side trying to help solidify the transport area, which is one of the greatest problems in China," Sir Peter said.

"In two weeks we can't reorganise the world's biggest transport

problem, but we can make sure that Australia will be in the forefront in keeping things going."

Sir Peter is a close friend of Mr Hawke, but yesterday denied that their relationship had anything to do with the Prime Minister's request.

He said his appointment to lead the joint delegation was based purely on the expertise offered by his companies, and the fact that he was already going to China.

Sir Peter said TNT was the largest transport group in the world, with road, sea and air operations in such countries as the UK, United States, Canada and Brazil.

He said Ansett also had wide experience operating both trunk and regional air services, and provided technical facilities in Australia for many international airlines.

"Certainly Mr Hawke is the one who asked me if I would mind changing my plans," Sir Peter said. "But the only thing to do with friendship was that I was prepared to throw out all my plans and reorganise my executives to go to China at a time which suited the Government.

"Our operations and our management know-how are so enormous that it is quite normal we were asked to do this. It is equally normal that in steel, BHP was negotiating together with the Government," he said.

Although the two-airline agreement precludes Ansett from oper-

ating international services, except with permission from Qantas, Sir Peter said he was keen to develop Ansett as an "international aviation company" which could both sell expertise and lease crew and equipment.

"We will go overseas not as an airline but as an aviation company, offering management expertise and support, equipment support, sending crews to train other crews or engineers to train other engineers," he said.

Sir Peter would not outline what his companies wanted to do in China, but said there was good scope for selling transport know-how there.

One big possibility was the sale of Ansett technical expertise to Chinese airlines, which recently ordered 10 new British BAe-146 jets. Ansett WA also has ordered two of the planes, the first of which was handed over to Sir Peter at Perth Airport yesterday afternoon.

But perhaps the biggest potential in China for Sir Peter was the sale of road transport expertise by the TNT group.

"Road transport has been completely neglected in China because they don't have roads, capital assets or management know-how," Sir Peter said. "Just talking to the Chinese delegation in Australia, I found that they have an enormous desire to speed things up, particularly with management expertise."

AUSTRALIA

ALP CENTER-LEFT FACTION 'DOUBTS' ON TAX PLAN

Sydney THE AUSTRALIAN in English 10 May 85 pp 1, 2

[Article by David O'Reilly]

[Text]

INFLUENTIAL members of the ALP's Centre Left faction fear the introduction of the Treasurer, Mr Keating's, retail tax will push inflation to nearly 20 per cent by 1987, imperilling the Hawke Government's chances of re-election.

Mr Keating's plans for the 12.5 per cent consumption tax suffered another serious body-blow yesterday when the Centre Left numbers man, Senator Peter Cook, said there was "considerable doubt" that problems created by its introduction could be overcome.

Senator Cook described as "ambiguous at best" evidence available to support the basic contention underlying Mr Keating's retail tax plan — that a coincidental income-tax cut trade-off would reduce the huge and damaging extent of tax avoidance.

"If it is worth avoiding tax at a 60 per cent marginal rate it will remain worth avoiding tax at a 50 per cent top rate," he said.

Importantly, Senator Cook told a tax-reform seminar held by the Australian Council of Social Services in Canberra that the Government's chances of surviving at the 1987 election depended not on whether it introduced a broadly based consumption tax, but how it performed in the wider management of the economy.

"The introduction of a broadly based consumption tax would inevitably put the Government's performance on economic management at risk," he said.

Senator Cook's remarks, interpreted as representative of the views of a large number of MPs in the Centre Left, came just hours after the president

of the ACTU, Mr Cliff Dolan, continued his attack on the Keating tax plan by saying that, at present, there was no chance the ACTU executive would accept it.

In the face of speculation that the Prime Minister, Mr Hawke, and leaders of the influential NSW ALP right wing, were maintaining their support for Mr Keating for fear of seeing the Treasurer politically embarrassed, Senator Cook's remarks were interpreted as reflecting the view that, if the consumption tax were dumped, Mr Keating would outlive such a setback well before the 1987 election.

In short, Senator Cook was reflecting the view of the Centre Left that if the tax were dropped now, by 1987 there would be minimal electoral backlash specifically as a result of the defeat for the Treasurer on the issue.

Seathing

Senator Cook rejected the consumption tax in favour of the other option of raising the "cut-in point" of the 60 per cent marginal income tax rate, broadening the direct tax base, and introducing a capital gains tax — all of which would make the system "progressive".

Today, the 17 members of the Cabinet will receive copies of the draft White Paper being prepared by Mr Keating for the July tax summit. They will discuss it at a special meeting in Canberra on Sunday.

However, Senator Cook was also particularly seathing about whether the key data on the effects of the tax shift, being written into the White Paper in recent days, made provision for adequate com-

pensation of low-income earners and the needy.

Referring to several hundred thousand families who consumed more than they earned, Senator Cook said: "It will be impossible to find all of these people prior to introducing a retail sales tax, let alone compensating them."

The compensation issue remained "unresolved" and appeared to be "very difficult."

Those under-compensated will not have a strong voice in shaping the tax reform package, being represented by neither the ACTU nor the business community.

"The Government would find it virtually impossible convincingly to reassure all needy people that a major shift to a consumption tax would leave them no worse off."

Furthermore, Senator Cook said, the media would be expected to highlight the plight of the losers from such a major tax change when it began to bite in 1987.

"In an environment of rising inflation, fuelled by the 20 per cent devaluation of the Australian dollar and lack of agreement with the ACTU on preventing a flow-on into wages of the price effects of devaluation, the risks of a broadly based consumption tax for inflation and hence, for economic stability, appear to be very great.

"A measured inflation rate of 15 to 20 per cent by late 1987 would not be unrealistic."

On the other hand, a broadening of the direct tax system had the appeal of not raising the problems of compensation and not posing significant risks for price stability.

Senator Cook also focused closely on the problem of the community's growing perception of an ultimate net overall improvement in their tax lot.

Although the prospect of mooted large cuts in direct tax were superficially attractive, the switch to indirect tax might be found to result in a "tax neutral position".

"The risk is therefore being run of the expectations of wage and salary earners being unreasonably pumped up," Senator Cook said.

Yesterday the Government came under sustained attack from the Opposition in both Houses of Parliament over the build-up to the tax summit.

The Minister for Finance, Senator Walsh, claimed Mr Dolan would no longer be ACTU president when the tax changes were introduced when he was put on the spot over Mr Dolan's earlier uncompromising rejection of the tax shift plan.

"As for Mr Dolan's comments," Senator Walsh told the Senate, "this view will not be particularly relevant to the (tax) decision because, if Mr Dolan is not yesterday's man, he is today's man; he is certainly not tomorrow's man."

By the time these matters become important in relations between the ACTU and the Government, Mr Dolan will no longer be president of the ACTU.

With the ACTU, the ALP's left wing, and now important elements of the Centre Left faction ranging against the tax plan, much hangs on the

row the data included in the White Paper plays in the two-month lead up to the summit.

Some ministers, who have been privately concerned that access to the data has been limited thus far to Mr Hawke and Mr Keating, will be examining it "asleep" before their meeting on Sunday.

But Mr Hawke and Mr Keating still hold out hope that the highly confidential work done by the Treasury and the Economic Planning Advisory Council, and now included in the White Paper, will form the basis of a new perception about the impact of the consumption tax.

Opposed

The White Paper includes a critique of the existing overall tax system and an examination of the incidence of evasion and avoidance before applying the key impact data to a list of possible options for tax changes.

Meanwhile, some 32 community groups yesterday unanimously opposed the move to the retail tax.

The president of the Australian Council of Social Services, Mr Bruce McKenzie, told the ACOS meeting in Canberra that information presented to it proved "beyond doubt" there was no effective or equitable way to compensate for the retail tax the two million Australians living in poverty.

The meeting was convened to let welfare groups express their view on the issue.

"A shift to indirect taxes will mean much higher costs for poor people, particularly those

with dependents," said Mr McKenzie, quoting figures presented to the meeting today.

A 12 per cent consumption tax will increase costs to the lowest 10 per cent of income earners by 12 per cent while it will affect the top 10 per cent of income earners by only 4 per cent. No compensation proposals I have seen will address this gross inequity.

The main argument for a shift to indirect taxes — that evasion will fall — is unfounded. Current indirect taxes are evaded to a frightening degree. An increase will only exacerbate this problem and benefit the same evader.

A prominent leader of the right wing, Mr Jim Mavnes, who is also a strong supporter of Mr Hawke, last night described the proposed consumption tax as "pernicious" and its introduction as "political suicide".

Mr Mavnes, federal president of one of the biggest unions affiliated with the ACTU, the Federated Clerks Union, said his union was strongly opposed to consumption taxes because of their regressive nature.

Along with other union officials he was concerned about the effects on inflation and its consequent direct impact on worsening unemployment.

At a time when the value of the dollar is plunging and we are simply importing inflation because of the high cost of imported goods, it would be political suicide to introduce some form of retail tax," Mr Mavnes said.

AUSTRALIA

BRIEFS

WHEAT REVENUE UP--The Australian Wheat Board's annual report for its record 1983-84 year showed a 40 per cent increase in revenue to \$2.83 billion from \$2.02 billion in the previous year. The report, tabled on Tuesday by the Federal Minister for Primary Industry, Mr Kerin, showed marketing of the 1983-84 wheat crop resulted in nearly \$2.5 billion in export revenue. On the domestic market, more than \$300 million was earned which, when added to the export sales, contributed to the revenue increase. The AWB established major new financial initiatives including the facility to borrow up to \$2 billion from offshore finance markets, as well as the use of tender panels to acquire up to a similar amount on the domestic financial market. About \$3.34 billion was borrowed offshore, with repayments totalling about \$2.8 billion. [Text] [Sydney THE AUSTRALIAN in English 9 May 85 p 13]

CSO: 4200/1114

INDONESIA

BRIEFS

FRETILIN INSISTS UPON PARTICIPATION--"FRETILIN will not sanction any agreement arrived at by the governments of Portugal and Indonesia with regard to East Timor which fails to take into account a sounding of the representatives of the people of Timor," said its director, Abilio de Araujo, yesterday in Lisbon. According to the head of the delegation in exile of that Timorese resistance organization, the Portuguese government did not accept the suggestion that FRETILIN participate in the negotiations now underway with the authorities in Jakarta, nor that they be included in discussions of a cease-fire. Abilio de Araujo spoke at a press conference at a hotel in Lisbon, using it as an opportunity to announce a newly established FRETILIN radio station in the interior of East Timor. "Only a legally valid and internationally accepted act can have our agreement," said Abilio de Araujo with regard to the negotiations about to get underway between the governments of Lisbon and Jakarta, dealing with the ex-members of the Portuguese Administration of Timor, and with other humanitarian cases. "An agreement can be reached only if a cease-fire is agreed to and the war ends," said the director of FRETILIN with regard to the possibility of the Portuguese and Indonesian governments' reaching an agreement about the situation in East Timor. [Text] [Lisbon DIARIO DE NOTICIAS 29 May 85 p 24] 12857

CSO: 3542/188

LAOS

BRIEFS

PHOUMI VONGVICHI ADDRESS--Phoumi Vongvichit, Politburo member of the Lao People's Revolutionary Party CC and vice chairman of the Council of Ministers, yesterday talked to over 200 media workers on Lao writing and language. The gathering was jointly organized by the State Committee for New Agency, Newspaper, Radio and Television and the Lao Journalists Organization. It was attended by Khamma Phomkong, deputy-head of the propaganda and training board of the LPRP CC and Son Khamvanvongsa, deputy head of the said board and chairman of the State Committee for News Agency, Newspaper, Radio and Television. The vice chairman on this occasion recapitulated the origin and history of the Lao writing and language and its evolution in various periods of the history. He also stressed on the external negative influences in the Lao language which hinder its development. The speaker, then, pointed out on /as received/ the necessity to carry out revolution in the field of culture and particularly to unify the spoken and written Lao language. He finally pointed out to the gathering that the media plays a crucial role in developing the language and that media personnel should first of all set good examples by scrupulously implementing the rules of Lao grammar. /Text/ /Vientiane KPL in English 0933 GMT 14 Jun 85/

COOPERATION WITH SRV CITY--An agreement on economic cooperation between Vientiane and Ho Chi Minh City was signed here on 12 June. Signatories were Khamdeng Themsimuang, chief of the industry, handicraft and forestry service of Vientiane, and Tran Thien To, deputy head of the small industry and handicraft union of Ho Chi Minh City. The signing ceremony was conducted in the presence of Sihou Bannavong, deputy mayor of Vientiane, and Dam Xuan Dung, economic and cultural representative of the Vietnamese embassy here. /Text/ /Vientiane KPL in English 0940 GMT 14 Jun 85/

HEALTH COOPERATION WITH SRV--A protocol on cooperation between the Ministries of Public Health of Lao and Vietnam was signed here on 7 June. Under this protocol, Vietnam will help provide short- and long-term training for Lao medical personnel and supply a number of medical equipment. The two ministries will also exchange medical workers and experts. Signing the document were Dr Vannalet Latsapho, deputy minister of public health, and Nguyen Xuan, Vietnamese ambassador here. /Text/ /Vientiane KPL in English 0907 GMT 10 Jun 85/

STATISTICS COOPERATION WITH SRV--A memorandum on cooperation between the Statistics Departments of the Lao PDR and the Socialist Republic of Vietnam was signed here on 7 June. Signatories were Khamphet Phengmouang, first vice chairman of the Lao State Planning Committee, and Le Van Tuan, head of the statistics department of the SRV. This memorandum provides for Vietnamese assistance in training Lao statisticians for 1985. /Text/ /Vientiane KPL in English 0909 GMT 10 Jun 85/

SRV-AIDED PLANT--A clinker plant built with the assistance of the Socialist Republic of Vietnam was handed over here to the Lao PDR on 9 June. This plant has a capacity of producing 10,000 /metric/ tons of cement per year. Its construction began in May 1983 in the framework of an aid program of the Vietnamese Government. Present at the handover ceremony were Maisouk Saisompheng, member of the party CC, minister of industry, handicraft and forestry and also president of the Lao Vietnamese Committee for Economic and Cultural Cooperation, and Phan Ngoc Tuong, alternate member of the CPV CC, minister of construction and head of a Vietnamese delegation on a visit here. /Text/ /Vientiane KPL in English 0905 GMT 11 Jun 85/

SRV-BUILT POWER STATION--A small-size hydroelectric power station built with Vietnamese assistance was handed over on 6 June to the Lao administration of Xieng Khouang Province. The station jointly financed by the Vietnamese Nghe Tinh Province and the Lao Ministry of Industry has an output capacity of 80 kw/hour. The station's construction was started early last year at Mat River in Kham District, Xieng Khouang Province. Present at the handover ceremony were Lao deputy minister of industry, handicraft and forestry, Ki Thoummala, and senior officials of the Lao and Vietnamese sister provinces of Xieng Khouang and Nghe Tinh. /Text/ /Vientiane KPL in English 0909 GMT 11 Jun 85/

VONGVICHIT RECEIVES FRENCH AMBASSADOR--Phoumi Vongvichit, vice chairman of the Council of Ministers of the Lao PDR, received here yesterday the newly-accredited French ambassador to Laos, Marc Menguy. The reception took place in a cordial atmosphere, during which Vice Chairman Phoumi Vongvichit wished Ambassador Marc Menguy success in his diplomatic mission here for the benefits of the Lao-French relations. /Text/ /Vientiane KPL in English 0904 GMT 13 Jun 85/

USSR MESSAGE TO LAOS--Following Lao leaders' congratulatory message on the 40th anniversary of the victory over fascist Germany and Japanese militarism, the CPSU CC, the Presidium of the Supreme Soviet and the Council of Ministers of the USSR recently sent a telegram of thanks to leaders. The message of thanks was addressed to Kaysone Phomvihan, general secretary of the LPRP CC, chairman of the Council of Ministers, and Souphanouvong, member of the Politburo Bureau of the LPRP C, president of the Lao PDR and of the People's Supreme Assembly. The message noted that the victory over Hitlerite fascism and Japanese militarism was a historic turning point of paramount significance in world history. It stimulated the national liberation movement in Asia and led to the creation of socialist states in this continent. "From the lesson of the past war, and facing the complex world situation of today, it is imperative to rally all countries of the socialist community, all peaceloving countries and peoples in the world to unitedly fight the threat of a nuclear holocaust hanging over the entire humanity and to check the arms race," reads the message. The Soviet leadership also expressed their conviction that the relations of fraternal friendship and allround cooperation based on Marxism-Leninism and socialist internationalism between the parties and states of the USSR and the Lao PDR would continually prosper for the benefit of the two peoples, for peace and socialism. /Text/ /Vientiane KPL in English 0855 GMT 13 Jun 85/

MALAYSIA

KUALA LUMPUR ON RITHAUDDEEN TALKS IN GDR

BK171208 Kuala Lumpur International Service in English 0800 GMT 17 Jun 85

/Unattributed Commentary/

/Text/ The Malaysian Foreign Minister Tengku Ahmad Rithauddeen delivered a thought-provoking speech in East Berlin. He was replying at a dinner given in his honor by his East German counterpart, Herr Oskar Fischer. In his address, the Malaysian foreign minister emphasized particularly Malaysia's nonaligned posture and its willingness to have trade, economic and cultural ties with all nations, irrespective of their social systems.

Malaysia has diplomatic relations with East Germany--or the German Democratic Republic, as it is officially termed. The Malaysian foreign minister's visit to East Berlin coincided with the observance throughout Europe of the 40th anniversary of ending of the Second World War. The media in Europe has been saturated with all manner of views and resolutions on the problems and prospects for peace in the international community.

In this regard--the prospects for peace--the Malaysian foreign minister called on all nations to work towards drafting a comprehensive program of general and complete disarmament. Malaysia has always voiced concern over the colossal expenditure of armaments, whether nuclear or nonnuclear. As a rapidly developing nation, Malaysia is honestly driven to give its people a higher standard of living, and it knows how unproductive the armaments race is. Its leaders have said on various occasions of the growing scale and momentum of the arms race constitutes a main danger to peace and to international detente. The arms race not only creates a constant threat of war--and above all nuclear war--but it is at the same time a breeding ground for local wars. That is why Tengku Rithauddeen stressed to his East German host Malaysia in its quest for complete disarmemtn has supported the various efforts to strengthen world peace.

The Malaysian foreign minister also referred to the threat of the arms race spreading to outer space. Malaysia supports a total ban on the use of space for military purposes and supports the letter and spirit of the 1967 treaty on principles governing the activities of states in the exploration and use of outer space, including the moon and other celestial bodies.

In his talks with his East German counterpart, the Malaysian foreign minister covered a wide range of subjects. It is particularly gratifying to Malaysia that East German foreign minister commanded the Malaysian initiative in promoting the concept of a zone of peace, freedom and neutrality in Southeast Asia, or ZOPFAN. Similarly, Herr Fischer's acknowledgement of the contribution that the Nonaligned Movement is making to improve the international climate is both timely and encouraging.

There is no doubt that the visit of the Malaysian foreign minister to East Germany will be conducive to the development of stronger ties between Malaysia and the GDR. Malaysia can benefit greatly from the orderly transfer of technology while the GDR can obtain not only raw materials but also some manufactured goods, too, from Malaysia. The reciprocity of mutual respect will mark the relationship.

CSO: 4200/1105

MALAYSIA

BOMB EXPLODES OUTSIDE MUSLIM POLITICIAN'S HOUSE IN KUALA LUMPUR

HK150526 Hong Kong AFP in English 0518 GMT 15 Jun 85

/Text/ A bomb exploded early today outside the house of a leading Moslem politician in Kota Kinabalu, Sabah, but caused little damage, BERNAMA NEWS AGENCY said.

The blast, the fourth in the East Malaysian state capital in 3 weeks, ripped open a brick wall surrounding the house of Datu Hamid Mustapha.

Mr Hamid is secretary general of the Moslem-based United Sabah National Organization (USNO), and his father, USNO President Mutsapha Harun, is challenging the legality of Chief Minister Joseph Pairin Kitingan's appointment in court after a bitter election less than 2 months ago.

A police spokesman said that there may have been two explosions today, but this could not be immediately confirmed.

Mr Hamid, a member of the state legislative assembly, and his family were asleep when the explosion shook the exclusive Likas residential area.

Earlier this week, police said they had detained four people and were looking for a fifth in connection with three bomb explosions which have killed a fisherman and injured five people in the past 3 weeks.

However, a senior Malaysian federal police investigator said that there was no evidence to link the blasts to any of the oil-and-timber rich state's three major political parties, which fought a bitter election less than 2 months ago.

Mr Mustapha claims he was originally sworn in as chief minister after the 21 April poll, and that Governor Adnan Robert acted unconstitutionally in revoking his appointment hours later in favor of Mr Kitingan.

Mr Kitingan's Parti Persatu Sabah took 25 of the 48 seats in the State Assembly.

Mr Rober has filed a statement of defense in the high court saying he faked Mr Mustapha's appointment because he feared for his family's safety.

The high court has not said when it will rule on the case.

CSO: 4200/1105

NEW ZEALAND

PEACE GROUP CHARGES GOVERNMENT ADHERES TO 'SECRET' ANZUS PACT

Wellington THE EVENING POST in English 11 May 85 p 64

[Text]

New Zealand is involved in a secret Anzus agreement which refutes Government's claims that it has no specific commitments to the alliance, according to a Christchurch-based peace research group.

Peace Researcher spokesman Mr Keith Burgess said in a statement that the agreement was called "Anzus Marsar." It was concerned with surveillance of ocean territory, and committed all members of Anzus to active participation.

"Anzus has been described by the Labour Government as a loose framework for military co-operation. However, the discovery of Anzus Marsar indicates that agreements exist that are specifically a part of the Anzus connection — but they exist behind the scenes in secret," said Mr Burgess.

He said the agreement might place profound restrictions on the Government's plans for greater military independence.

The Ministry of Defence has refused

to supply the group with further information on Anzus Marsar, invoking Section 6 of the Official Information Act.

It says in a letter to the group that giving the information would be likely to prejudice the security or defence of New Zealand and its international relations.

Peace Researcher said it was aware of the sensitivity of some of New Zealand's security arrangements, but felt "the public at large was entitled to be aware of the existence of such commitments, and their fundamental significance."

The group also requested and was denied, information on Combexag (The Combined Exercise Agreement), which governs all exercises in which the Anzus partners are associated.

The chief ombudsman is investigating the requests.

Peace Researcher is a working group of the New Zealand Nuclear Free Zone Committee.

Mr Burgess said it aimed for in-depth analysis of the Anzus relationship, to provide more informed public debate.

CSO: 4200/1100

NEW ZEALAND

DROUGHT CONDITIONS REPORTED, GROUP ASSESSES FARM NEEDS

Cause of Drought Analyzed

Christchurch THE PRESS in English 10 May 85 p 1

[Article by Tessa Ward]

[Text]

New Zealand's average temperature has risen over the last few decades and this season's drought is probably a symptom of this, according to a meteorologist.

Dr Neil Cherry, the meteorologist at Lincoln College, said yesterday that the factors causing this rise in temperatures were difficult to establish. Lincoln College had recorded the driest April since its rainfall records began in 1880, he said.

By contrast, Sydney recorded almost 300mm of rain during the last half of April to give it the wettest April since 1945.

For reasons not fully established the April drought in parts of New Zealand was the outcome of successive anti-cyclones overtaking developing moist fronts, Dr Cherry said.

"These anti-cyclones bringing fine weather have been unusually firm for this time of the year. They have tended to remain stationary over the New Zealand region, having forced moist, unstable air across to the east coast of Australia."

Anti-cyclones over New Zealand were usually interrupted by about four south-easterlies in April, Dr Cherry said.

"The Southern Alps have prevented any moisture that

did reach New Zealand's West Coast from falling on the east coast. Some of the moisture has been able to reach Southland via Foveaux Strait.

"We can be sure that our drought is connected with the drought conditions in parts of Africa," Dr Cherry said. "This is because the flow of our weather patterns is right around the southern hemisphere.

"New Zealand's maritime climate ensures that we would never have an Ethiopian type of drought but Australia could have droughts of these proportions. The common observation emerging is that weather patterns are becoming extreme."

Meteorologists were building up a model based on the "greenhouse effect" to see if it adequately explained the world's weather pattern changes over the last few decades, Dr Cherry said.

"This model predicts that world temperatures will increase as levels of carbon dioxide continue to rise."

The Earth's infra-red radiation was trapped by the carbon dioxide causing the Earth's temperature to rise, he said.

"One result is that more moisture is deposited in some parts of the world while others remain dry and often parched. Scientists are

gathering data on all the weather factors involved to see if this theory is correct.

"Ultimately a greenhouse effect would cause the polar icecaps to melt. But long before that happens we would see more extreme weather patterns."

These patterns would be part of a redistribution of the world's heat, Dr Cherry said.

"We already have several recent examples of such extreme weather patterns. The record Southland and Thames floods, for example, contrast with this year's drought in North Otago and South Canterbury.

"I doubt that in the near future we will know for sure if this greenhouse effect accurately explains our unusual weather patterns. This model is linked with the El Nino effect in that they both describe a redistribution of heat."

The El Nino effect was a well observed and understood phenomenon, Dr Cherry said.

"It describes how south-east trade winds blow warm bodies of water in the Pacific Ocean to north of Papua New Guinea. When this amount of warm water congregates there it generates vigorous weather systems which help to induce a pattern of anti-cyclones and moist fronts over New Zealand."

"The south-east trade winds weaken about July and can no longer hold the warm body of water in the tropical region and so gravity forces this body of water to slosh back towards the South American west coast."

The water body arrived at South America about Christmas time, hence the name El Nino — The Child, associated with the birth of Christ.

"When this body of water sloshes back more vigorously than normal it leaves behind unusually low temperatures of water. The weather patterns generated in the northern Pacific are therefore quieter with less temperature difference between the north and south Pacific regions."

"This occurred during the 1982-83 summer season and it is believed to have generated such weak weather patterns that drought prevailed in Australia. Similarly it is thought to have caused a particularly cold summer in New Zealand."

Another factor that could be affecting the world's weather patterns was the Earth's tilt, Dr Cherry said.

"Every 13,000 years the Earth completes its tilt on a new axis which means that our summer would be in June rather than January. This tilt change, although happening very slowly, must have an important effect on climate."

10 July 1985

"Right now we are tilted over in one direction about as much as we are going to be and the Earth will begin to tilt in the other direction. This could induce another Ice Age although it is not altogether understood how. But it is interesting to note that the Earth came out of its last Ice Age about 13,000 years ago."

Links between sunspot activity and the world's weather patterns were also emerging, Dr Cherry said.

"The sunspots appear to have an 11-year cycle and studies have shown that rainfall patterns have been in tune with this sunspot activity. As a result correct predictions have been made about low rainfall levels in the 1970s and 1980s."

"The prediction is that this year is the last drought year of the 1980s with high rainfall predicted for the rest of the decade."

Task Force Formed

Christchurch THE PRESS in English 10 May 85 p 1

[Text]

A task force has been formed in Ashburton to assess the needs of farmers in the drought-affected areas of Mid-Canterbury.

The move results from the announcement by the Government of drought relief measures on Wednesday.

The task force comprises representatives of the Min-

istry of Agriculture, the Rural Bank, private farm consultants, and Federated Farmers.

A joint statement by Federated Farmers' provincial president, Mr B. E. Lall, and the senior agricultural adviser in the area, Mr A. S. Brown, yesterday said the representatives had decided it was necessary to identify the needs for stock feed, feed budget assessments,

and financial assistance for farmers.

It would concentrate on the worst affected areas to begin with and would extend its coverage if necessary.

Advice would be available to farmers in assessing feed requirements, making decisions on the sale of capital stock and its subsequent replacement, financial planning, and assistance, and

technical assistance in planning for cropping or pasture renewal.

The resources of the Ministry, the Rural Bank, farm consultants, and Federated Farmers would be available to enable farmers to take full advantage of the relief measures and to use them to the best advantage.

CSO: 4200/1100

NEW ZEALAND

EDITORIAL ON LANGE RESOLVE AGAINST TRADE UNIONS

Wellington THE EVENING POST in English 11 May 85 p 6

[Editorial: "Traditions Under Test"]

[Text]

THE TRADE UNION movement has a legacy of traditions and concepts which are hard to shake off when all else is change.

How many Federation of Labour delegates will heed the plea of the Prime Minister, Mr Lange, not to judge his Government on slogans or preconceptions?

The economic direction of the Government is wrong, a number of trade union identities have been saying for months.

When financiers and big business praise that economic direction, traditional trade union activists may feel a need to recoil, simply as a reflex to what the business group approve.

Even if underlying conditions have since changed, trade unionists will naturally recall how years ago the workers and the economy benefited from the old formula of protectionism, subsidies, incentives controls and borrowing.

When the economic direction departs from that formula in a way trade unionists find difficult to reconcile with their concept of Labour and socialism then that is further cause for disquiet and friction.

Fast price rises, the advance notice of a goods and services tax, and ministerial talk of a drop in the real standard of living give trade unionists cause for concern.

Many union leaders are talking loudly about the need for large wage claims this next wage round. It comes as a shock to have a Labour Prime Minister suggesting without consultation that the guideline should be less than 10 percent.

All of this is part of the background when a Labour Prime Minister suffers the unusual experience of receiving catcalls and critical interjections when he addresses the Federation of

Labour conference.

The F.O.L. call for an "immediate" wage adjustment by the Government is rejected by Mr Lange.

Does the F.O.L. have to be reminded of its earlier strong objections to government interference in wage fixing and the government-imposed freeze on wage negotiations?

In the same way, all of the talk about concern for the low paid workers did not stand up to the test of self interest.

Efforts were made to have the conference agree that any government ordered pay increase should be expressed in a flat dollar amount rather than as a percentage increase. That would give proportionately more to the low paid than to the high paid.

A lot of powerful unions with high-paid members must have been unprepared to give up their members' pay margins in such a way.

The new wage-fixing process has not been given a fair trial and the deep-seated problems in the economy have not yet been cured. If trade unionists are ready to overlook those points the Government cannot.

It would have been so easy for Mr Lange to give way to the F.O.L. delegates' wishes and to make himself a hero for the day to that audience.

Fortunately, Mr Lange is of sterner stuff than some people give him credit for. None of us can any longer afford to retreat from the sacrifices involved in making fundamental changes.

However comfortable old memories and old concepts may be, the past few years experience has shown that we cannot keep to old ways and simply hope to be prosperous, fully employed, able to care for the needy and able to meet fresh challenges.

CSO: 4200/1100

NEW ZEALAND

TRADE UNIONS SUPPORT GOVERNMENT, BUT WANT VOICE

Wellington THE EVENING POST in English 11 May 85 p 8

[Article by Penny Hardinge]

[Text]

The trade union movement has given the Government the message that it will stand solidly behind it to prevent the re-election of a National government. But, in return, it expects to be listened to when it is advocating the rights of workers.

Delegates at the Federation of Labour's conference, which ended yesterday, said criticism of the Government was not disloyalty. The trade union movement would not be a silent partner when government policies were hurting workers.

So the message to the Beehive was to think again on the goods and services tax, let's have an immediate wage order to try to repair some of the drop in living standards caused by the raft of price increases, and let's have full, realistic wage negotiations.

Extra hardships faced by the low-paid came in for special attention and the unions representing them

— the laundry workers, the caretakers and cleaners, the shop employees and the hotel and restaurant workers — made strenuous efforts to put their case.

The FoL president, Mr Jim Knox, and vice-president, Mrs Sonja Davies, both praised the increased participation of women delegates.

For the first time the percentage of women taking part as delegates at the conference rose to 25 per cent.

Last year 20 percent of the delegates were women.

There was also increased participation by Maori and Pacific Island delegates.

This year's conference was without the battles which have characterised previous conferences — like battles with the Electrical Workers Union which is now no longer an affiliate.

No attempt was made to restrict media coverage of the conference, as happened last year, and except for a 15-minute session on

Marsden Point, the conference stayed public.

CSO: 4200/1100

NEW ZEALAND

GOVERNMENT SPENDING HELD WITHIN LIMITS

Auckland THE NEW ZEALAND HERALD in English 9 May 85 p 4

[Text]

Government departments underspent their allocations by more than \$223 million in the last financial year, while tax revenue was nearly \$94 million greater than forecast in the November budget.

Public accounts released yesterday for the 1984-85 financial year put the Government's deficit before borrowing at \$2,783,500,000 — an increase of \$22.2 million over the budget target.

But the Treasury accounts made a substantial allowance for Reserve Bank interest liabilities which have not yet fallen due.

The allowance was made at the direction of the Minister of Finance, Mr Douglas, last month, changing the basis for the budget calculations.

The effect of the change, he said, was to add nearly \$440 million to the deficit figure which the Treasury

would have otherwise recorded.

Mr Douglas said yesterday he had decided to adopt a conservative course in relation to Reserve Bank liabilities, including expected as well as actual payments in budget forecasts and results.

Debt

Only actual payments were taken into account in 1983-84 and the 1984 budget tables had assumed the practice would continue.

Mr Douglas said yesterday's budget result reflected good control over Government spending during the year and debt servicing costs which reflected lower than expected Government borrowing.

But the result was helped by the Ministry of Energy not taking up some of its loans.

Underspent

Government spending during the year was 1.5 per cent less than provided for in the budget, which allocated \$146 million more than was required for industrial development purposes.

The Ministries of Agriculture and Fisheries and Energy, the Forest Service and the Department of Lands and Survey all underspent their allocations while revenue was more than expected in each case.

Debt servicing, while 25 per cent more expensive than in the previous financial year, cost \$57 million less than forecast in the budget and underspending on health and social services amounted to more than \$70 million.

The Department of Education was the only department to exceed its budget allocation, spending \$17 million more than expected.

The Government took in marginally less than budgeted for from income tax — the intake of \$8.34 billion was \$26 million below the budget forecast.

But increased revenue from other forms of tax gave a windfall of \$93.6 million.

The Government's net expenditure for the year was \$15.3 billion, while total revenue amounted to \$12.5 billion.

CSO: 4200/1100

NEW ZEALAND

BUSINESS CAPACITY USE HOLDS UP

Auckland THE NEW ZEALAND HERALD in English 9 May 85 Sec 3 p 3

[Text]

The level of New Zealand business capacity use in the March 31 quarter appears to have held up after a significant rise in the December quarter.

The Institute of Economic Research's Business Opinion quarterly survey shows that the index stood at 90.65 per cent at the end of the March quarter, only slightly down on the 90.98 in December which was the highest level since the September quarter in 1974.

The level has moved up from 84.7 in June 1983 to 86.2 in September 1983, 89.3 in December 1983, 98.7 in March 1984, 90.7 in June 1984 and 899.9 in September 1984.

The institute says the economy appears to have remained at the top of the

cycle longer than in previous business cycles of recent years.

Both manufacturers' and builders' capacity utilisation fell slightly, with builders remaining at a lower level than manufacturers.

The March quarter survey says confidence within the business sector for the next six months appears to be as pessimistic as it was three years ago during the 1982 slowdown in business activity.

Although business confidence appears to be as pessimistic as it was three years ago when compared with past cycles, overall the sector does not appear to be expecting the contraction in

1985 to be as great as it was in 1982

The survey shows that while profitability is lower, investment plans and employment are stronger. In addition, there are more labour shortages than there were three years ago.

In the overview of the survey, the institute says that the March 1985 quarter appeared to have been a period of slowdown, but activity remained buoyant.

Output, local sales and the volume of services continued to grow in all sectors but at a slower rate than was reported in the December survey.

The quarterly surveys canvas executives from about 800 organisations and

have been running since 1961.

The report indicates trends in the labour market are less positive, with employment and overtime both increasing at a slower rate.

It shows that investment expectations are still positive despite expected increases in interest rates.

Inflationary pressures are now very strong, with historically high numbers of respondents experiencing, and expecting, rises in average costs and selling prices.

Profitability, which has been strong for more than a year, is expected to weaken over the next three months.

CSO: 4200/1100

NEW ZEALAND

TRADE NEEDS PREVENT GOVERNMENT CRITICISM OF IRAN

Auckland THE NEW ZEALAND HERALD in English 11 May 85 p 9

[Text]

Iran, one of New Zealand's biggest sheepmeat markets, practises widespread and brutal torture in hundreds of secret detention centres, according to Amnesty International.

The latest newsletter of the New Zealand section of Amnesty contains a four-page supplement documenting torture and gross abuses of human rights in Iran.

But despite such evidence, and despite long-standing official New Zealand criticism of human rights abuses in countries such as South Africa and Russia, the Government is very reluctant, as was its predecessor, to criticise events in Iran.

The reason is one word — trade. Iran is buying \$300 million worth of New Zealand lamb this year and is expected to buy \$80 million worth of butter.

"The market in Iran is very important," said a senior official of the Ministry of Foreign Affairs.

"We do not sit back and say nothing for fear of

giving offence, but we make sure that, if we do make representations [to Iran], we are very sure of our ground."

New Zealand maintains an embassy with a staff of six in the Iranian capital, Tehran.

The ministry official said the only New Zealand representations to Iran in recent times specifically related to the Iran-Iraq War, not human rights in Iran as such.

Single Out

One of those representations was after the death last October of an Aucklander, Captain Geoff Worth, whose ship was hit by Iranian rockets, and the other, made with many other nations, was over Iran's refusal to let Red Cross officials carry out work related to prisoners of war.

He said New Zealand's general approach on human rights was to work through the United Nations, and not to single out individual countries for criticism.

Asked to explain that in the context of criticism of South Africa and Russia, he

said South Africa was virtually a New Zealand domestic issue, and the same could probably be said about the Soviet Union.

Secret Police

According to the Amnesty International report, political prisoners in Iran are being tortured and ill-treated throughout the country, in many cases in the same centres used by the Shah's secret police before his overthrow seven years ago.

Today, though, the torturers are not the Shah's Savak squads but the Pasdaran, the Revolutionary Guards.

Although Iran's constitution forbids torture and despite that country's ratification of United Nations human rights documents, critics of the Iranian Government (and members of the oppressed Baha'i faith) are being brutally treated by the Pasdaran, says Amnesty.

No Limit

"Political detainees are reported to be tortured immediately after arrest, during incommunicado detention in Pasdaran centres and afterwards in prison."

the report says.

"There is no limit to how long detainees may be held without charge or trial. They have no access to lawyers or doctors, nor is there any way they can challenge their detention in the courts."

The report gives graphic eyewitness accounts of people used as footfalls by guards, of whippings, rape and other violent sexual abuse, mock and real executions and the use of electricity and lighted cigarettes for torture.

"Amnesty International knows of no specific cases where individuals have been charged or tried for the infliction of torture or ill-treatment of prisoners."

The London-based Amnesty has been unable to send an observer mission to Iran since the 1979 revolution, but continues to seek permission to do so from the Iranian Government.

The organisation is asking its members to write to the Iranian Government to seek an end to torture and to ask for legal protection of people imprisoned in Iran.

CSO: 4200/1100

PAPUA NEW GUINEA

PORT MORESBY CURFEW TO BEGIN 17 JUNE

HK171258 Hong Kong AFP in English 1209 GMT 17 Jun 85

/Text/ Residents of Papua New Guinea's capital, Port Moresby, have been given a 2-day grace period to adjust to the state of emergency and curfew due to come into force later today.

The Papua New Guinea Government announced Thursday that a state of emergency would be imposed on the country's capital and surrounding areas in a bid to stamp out rape and other violent crime.

Initially scheduled for Friday, the state of emergency had been postponed until today to allow time for the deployment of more than 1,500 soldiers, police and reservists.

Announcing the 2-day grace period, Police Minister Dennis Young told parliament today people found on the roads after the overnight curfew deadline today and tomorrow will be warned and may be allowed to go free.

After tomorrow night, however, those found on the roads will be detained if they fail to provide a satisfactory answer to police and soldiers manning checkpoints and roadblocks in the capital.

Prime Minister Michael Somare has appealed for calm and cooperation as Port Moresby goes into its first state of emergency, saying that it and the curfew were for the good of the city's 130,000 residents.

The announcement of the state of emergency followed police reports that seven rapes had been reported in 6 days.

Mr Somare said in a radio interview after the announcement that "robbery, murder and rape have become almost commonplace events," and that the crime wave threatened the security of every resident.

Police Commissioner and controller of the emergency operation, David Tasion, said today that hotels, taverns and public bars would be closed each night at 9. Only hotel guests would be allowed liquor after this time.

"As a general rule, westerners will be required to remain in their homes during the curfew hours," he said.

PAPUA NEW GUINEA

BRIEFS

OPPOSITION CRITICISM ON CURFEW--Papua New Guinea's national opposition is seeking legal advice on the validity of the state of emergency enforced in the nation's capital, Port Moresby. The opposition leader, Mr Wingti, says the state of emergency is not properly planned and was rushed through by the government without proper consideration of its effects on the people. Mr Wingti claimed that the emergency would seriously affect the residents, who he said will not forgive the government after the exercise ends on 4 September. Radio Australia's Port Moresby correspondet, (Ikornea Peni), said the opposition may seek a Supreme Court ruling on the constitutional validity of the state of emergency. Yesterday, the state of emergency in Port Moresby was extended for another 2 months after the initial 21 days' emergency period expired on 4 July. The state of emergency came into force last Friday in response to a spate of crime and includes a $6\frac{1}{2}$ hour night curfew in the capital. /Text/ /Melbourne Overseas Service in English 0500 GMT 18 Jun 85/

CSO: 4200/1106

PHILIPPINES

RAMOS ON INVESTIGATIONS OF MILITARY PERSONNEL

HK170904 Quezon City Maharlika Broadcasting System in English 0400 GMT
17 Jun 85

[Text] One thousand, five hundred [words indistinct] personnel have been discharged every year for the past 3 years. This was disclosed today by acting armed forces chief Lieutenant General Fidel Ramos. More on this from correspondent Jun Francisco:

[Begin recording] Ramos said this is in line with the policy to weed out [words indistinct] and scallawags in the armed forces. He said there are now 322 cases being investigated in different special summary courts of the armed forces. Twenty-nine of these courts, he said, are PC-INP [Philippine Constabulary-Integrated National Police] [words indistinct] about 400 personnel. He said that of the 322 cases now being investigated, a significant number of them are maltreatment and salvage [summary execution] cases. Thirty percent of these military men, he said, have been found guilty.

Meanwhile Gen Ramos ordered Recom [regional command] Commander Colonel Renato de Villa to investigate the death of a former seminarian while allegedly in the custody of the 246th PC Company based in Talisay, Daet, Camarines Norte. The victim, Jaime Jasela, was allegedly shot dead by soldiers last 9 June on suspicion that he was an NPA supporter. Jasela's body bore marks of torture. Ramos said it has never been the policy of the armed forces to torture suspects as this is punishable under military and civil law. He added that torture is counterproductive in the effort of bringing the armed forces closer to the people.

[end recording]

CSO: 4200/1097

PHILIPPINES

EDITORIAL QUESTIONS RAMOS' CREDIBILITY ON ARRESTS

Quezon City ANG PAHAYAGANG MALAYA in English 22 May 85 p 4

[Editorial: "No Credibility"]

[Text]

The acting chief of staff, Lt. Gen. Fidel V. Ramos, should do something about his press office. A few days ago, he was quoted, in an AFP press release, to have said that the two arrested human rights lawyers in Abra, Alberto Benesa and Romeo Astudillo, "actually participated in ambuscades" and are now "out on bail."

The two, both former presidents of the Abra chapter of the Integrated Bar of the Philippines, have been charged with subversion by the Abra military and picked up last April 28.

The statement attributed to General Ramos is not at all true. FLAG officer Pablo Sanidad, a

colleague of the two detainees, has come out with the declaration that nowhere in the charge sheets prepared by military lawyers is there any mention that Benesa and Astudillo had ever taken part in ambuscades; moreover, they are not out on bail, as the general was quoted to have said, but are under military detention, a PDA having been issued against them.

Unless the acting chief of staff is more careful with the press statements issued by his office, he may soon find himself to be in the same unenviable position as his commander-in-chief: No credibility.

CSO: 4200/1094

PHILIPPINES

PKP LEADER MACAPAGAL MEETS WITH CPSU OFFICIALS

For the text of the 15 May 85 Moscow PRAVDA Russian report on the meeting between Felicismo C. Macapagal, secretary general of the Partido Kommunista ng Pilipinas (PKP-Communist Party of the Philippines), B. N. Ponomarev, candidate member of the CPSU Central Committee Politburo and secretary of the CPSU Central Committee, and I. I. Kovalenko, deputy chief of the CPSU Central Committee International Department, including statements "on the efforts being made by both parties against the threat of a new war," "against the aggressive plans of U.S. imperialism," and confirmation of the fraternal solidarity between the CPSU and the PKP, see the Southeast Asia & Pacific section of the 22 May 85 Soviet Union DAILY REPORT, page E 1.

CSO: 4200/1099

PHILIPPINES

INVESTIGATION BUREAU SECURITY LEAKS, NPA SPIES REPORTED ON

Manila BULLETIN TODAY in English 31 May 85 pp 1, 20

[Article by Ruther Batuigas and Amy Pamintuan]

[Text]

The New People's Army has reportedly infiltrated even the office of National Bureau of Investigation (NBI) Director Jolly Bugarin.

NBI agents have uncovered a security leak in the bureau, which, they now fear, is endangering the government's fight against subversives in Luzon and the Bicol region.

The agents traced the leak to at least three NBI employees who are believed to have been passing on intelligence reports to the NPA and other subversive groups.

One of the suspects works at the NBI cashier's office; another, reportedly a protege of Bugarin, is assigned at the director's office.

The third suspect re-

portedly participates in mass actions. All three are civilian employes.

When contacted, Bugarin said that he knew about their activities but he wanted to first make sure that the reports on the three men were true before he took any action against them.

Aside from its own intelligence reports, the NBI gets copies of reports from other government intelligence units such as the National Intelligence and Security Authority (NISA).

The agents fear that even the reports of their counterparts in other units were being passed on to the NPA.

The investigation, code-named Operation Linis, was launched

shortly after April 2, 1983. On that day, members of the PC-Integrated National Police raided a suspected NPA encampment in barangay Pulang Bato, San Juan, Batangas.

Four to six NPA members reportedly shot it out with the raiding team before escaping, carrying with them their wounded colleagues. In their haste, they left behind six duffle bags.

The bags contained some clothes, ammunition, including .30 caliber bullets, and documents. Among the documents were xerox copies of the intelligence reports of an agent of the NBI branch in Naga City.

The reports were addressed to the NBI director, channelled through the office of the deputy director for investigative branch (DDIB). They contained reports of NPA activities particularly in Sipocot, Camarines Sur, and other intelligence data for January, 1983.

Checking notations on the documents confiscated in the raid, the agents narrowed down

the documents' source to three NBI offices: the director's, the administrative, and the DDIB.

Several NBI employes involved in the handling of intelligence reports have been listed as possible sources of the leaks.

NBI investigators were still checking out possible sources of the leaks when they heard of an NBI employe from Batangas City who claimed that members of the NPA had tried to recruit him.

The employe told investigators that in mid-1983, a woman and two men, both civilian employes of the NBI main office in Manila, approached him and tried to recruit him into joining an organization "dedicated to the cause of fighting the government."

When the employe said he did not want to join the organization, the two reportedly warned him that something bad would happen to him.

On July 21, 1983, the employe gave a sworn statement to the NBI about the attempted recruitment.

CSO: 4200/1099

PHILIPPINES

VALENCIA CRITICIZES U.S. RENTAL ISSUE, SENATE RESOLUTION

'No Difference Between Communists, Americans'

Manila PHILIPPINES DAILY EXPRESS in English 21 May 85 p 4

[Commentary by Teodoro F. Valencia in the "Over a Cup of Coffee" column:
"But at What Price?"]

[Text]

AT THIS point in time, it does not matter anymore whether the United States pays us the \$900 million rentals for its use of the bases. It might be worse if they paid because it could mean that we agreed what the US Senate resolution dictated to us. It would then mean that we have become a secret colony of the US. With not too secret meddling, and with our consent in return for \$900 million. That sum is more than the \$20 million the Americans paid to buy us from Spain but the operations look familiar. Even the pretenses to help us sound very familiar.

President Marcos said he was still confident the US would honor the military bases agreement. Yes, but at what price? The US Senate resolution says that the US will pay only if the Philippine government does what America wants, the total surrender of the Philippines to the US. What for did they grant independence in 1946?

If you read that US Senate resolution carefully, the US intentions become clearer. What the US Senate wants is for the Philippine government to surrender to the opposition party. The opposition's never-ending pilgrimage to the US is paying off. We will be opposition but also slaves of the US. Is this what our opposition leaders really want?

The US Senate resolution will hurt the Americans more than the Filipinos. All of Asia will see that there is no difference between the communists and the Americans. The Americans will help only if the needy country surrenders sovereignty. If that's it, how different are the Americans from the communists? At least the communists only do it, they don't talk about it early in the game as the Americans do.

Pro, Anti American Forces Reversed

Manila PHILIPPINES DAILY EXPRESS in English 22 May 85 p 4

[Commentary by Teodoro F. Valencia in the "Over a Cup of Coffee" column:
"Who's Anti-America?"]

[Text]

NEWSDWEEK had a story that CIA's William Casey came over to tell President Marcos that an early presidential election is what Americans want. The President obviously enjoyed that story. Proof that the CIA either did not make such a demand or the demand was rejected, is that we won't have a presidential election before 1987. What are the opposition leaders cheering about? Do they relish American intervention? No wonder the Americans dismiss the opposition as "do nothings." That's how Americans treat friends.

If *Newsweek* indulges in negative hopes, so do our papers. The Manila papers had been saying that the \$925 million was not coming at all or would be trimmed substantially. You know what happened. The new loan package and the re-structuring of the old ones were signed in New York last Tuesday. In a way, this negative press attitude is worse than the opposition's. In the case of the opposition, it has something to gain by being negative.

It's funny that the KBLs, supposedly members of a US-dictated Marcos party, are all in uproar against the blatant American intervention in our affairs whereas the opposition, supposedly anti-American bases, is cheering for direct American intervention. The opposition is plainly anti-Marcos because it wants power. The situation calls for loyalty to the country, not to Marcos or to anybody's political ambitions.

CSO: 4200/1095

PHILIPPINES

COLUMNIST OPPOSES U.S. MILITARY BASES

HK240751 Davao City PEOPLE'S DAILY FORUM in English 8 Jun 85 pp 2, 6

["Variables and Variances" column by astrid Jose A. Bana: "The Trap"]

[Excerpt] Some sectors of the Philippine society are saying that the U.S. military bases in the country must go. They claim that there can be no lasting peace as well as true sovereignty so long as there are foreign military installations and forces in the Philippines. Their stand is such that the U.S. military bases are the bases of our insecurity. On the other hand, the proponents for the retention of the U.S. military bases in the country claim that the bases are vital for the country's national security. According to this school of thought, the military bases will safeguard the country's national interest and sovereignty against external aggression, primarily by the Soviet Union and other communist countries. How real or how great is the Soviet threat. This question has to be answered because the reported Soviet military threat and superiority is the cornerstone supporting the continued existence of the U.S. military bases and troops in the Philippines, and the arms build-up by the United States. Moreover, this same school of thought is claiming that the root cause of the existing nationalist struggle within the country is Soviet or foreign manipulation. Hence, justifying the granting of massive military assistance and the use of highly-sophisticated counter-insurgency techniques in the Philippines.

From the time the U.S. military bases were established, American military analysts themselves admitted that the U.S. bases in the Philippines do not perform a critical deterrent role for the country. Some examples that the Soviet threat or external aggression is only a myth, cultivated by U.S. policymakers to justify the continued presence of the bases in our country are as follows: the U.S. National Security Council asserted that external threats to the Philippines appear to be relatively remote at this time"; the U.S. Department of Defense spokesmen under U.S. Congressional questioning explicity admitted that "...there is no identifiable conventional force that is likely or capable of invading the Philippines"; Dr Morton Halperin, one of the most knowledgeable and experienced high-level officials of both the U.S. Defense Department and the National Security Council said, "I don't believe that there is any justification for the maintenance of U.S. troops in the Philippines. The Philippines are not threatened by any external aggression of any kind."

At present, the U.S. media are filled with reports of Soviet military superiority "driving relentlessly toward global domination." Although the Soviets are not entirely blameless, the facts are generally distorted and the logic simplistic. According to a study of the U.S. military bases in the Philippines, it is true that Russia now has a lead in land-based intercontinental ballistic missiles and submarine-launched missiles. But it is warheads, not missiles, that kill people and do the damage. The United States currently has more strategic warheads capable of reaching the Soviet Union. This lead is expected to continue in the foreseeable future. Moreover, the U.S. arsenal is generally considered superior in terms of accuracy, readiness, range, and survivability.

If the Soviet threat and external aggression is not that real, what then is the actual purpose of these bases? Is the purpose solely the security needs of the United States, the security of its investments, its access to raw materials and markets, that are being served? One authoritative answer to this question is given by Admiral Maurice F. Weisner, United States Navy Commander-in-chief of the Pacific, when he said that, "U.S. interest in Asia has increased commensurate with our growing economic development. Recently, our trade with Asian Pacific countries surpassed our trade with Western Europe ... the capabilities to keep open ... lines to increasingly important markets and resources is one of the major concerns in our Pacific Command planning. Access to critical resources is becoming more important to the United States and other expanding industrial nations. Our economic and political initiatives to maintain free access to these critical commodities are supported by the credible U.S. presence in the area." Clearly, the U.S. bases are in reality for the promotion of America's economic interests in the Asian region. We all know that the strongest arm of power is the military. Once military power is accepted, the national security and the political and economic independence of the protected state are ipsofacto given away. Given these facts, the greatest threat to the Philippines today is posed not by the Russians but by our lack of an effective and independent domestic and foreign policy. With this clarification, can every peace loving Filipino now make an intelligent choice? Should the U.S. military bases in the Philippines stay or go? Take your pick.

If the above information is not enough, consider this. In the event nuclear bombs are dropped on the U.S. military bases or were detonated by accident, Clark Air Base and the Subic Naval Base would be totally destroyed, radioactive fallout would cause incurable injuries to present and future generations of people living within 100 to 200 kilometers from the center of detonation. Depending on wind direction, Manila to Baguio could receive radioactive fallout. Thousands would die immediately; more would suffer a lingering death. Thousands of hectares of land would become uninhabitable for generations. What then is your stand on this issue?

CSO: 4200/1138

PHILIPPINES

MARCOS WINS NATIONAL PRESIDENTIAL SURVEY

Makati MR.&MS. in English 10-16 May 85 pp 27, 28

[Article by Francois Joaquin]

[Text]

Candidate will vote for in 1987

	Total Philippines	Greater Manila	Balance Luzon	Visayas	Mindanao
	%	%	%	%	%
Ferdinand Marcos	16	19	18	14	11
Salvador Laurel	11	9	20	7	5
Jovito Salonga	9	10	4	12	10
Arturo Tolentino	5	7	4	2	3
Butz Aquino	5	4	3	8	5
Refused to answer/no comment	29	27	31	24	33

AND the winner is (surprise!) . . . Ferdinand Marcos?

Sez who?

Sez a nation-wide election survey conducted by an independent market research team on possible presidential bets come 1987. And as far as mock polls go, the President, chances are, retains his throne.

Of a smorgasbord of 28 likely choices, Marcos emerged the leading bet, though commanding

a mere 16 per cent of the nation-wide vote. UNIDO's Doy Laurel puffed behind with 11 per cent to his name, while further back, LP's Jovito Salonga lagged along with a nine per cent tag. Arturo Tolentino and Butz Aquino each garnered a lazy five per cent, while a hefty 29 per cent of interviewees declined to indicate their preferences. Laurel proved strongest in Balance Luzon, followed closely by Marcos. The President, though, gained ground

in Visayas and Mindanao, with Salonga running a close second.

Surprisingly, Greater Manila, considered among the Opposition's firmest holds, proved itself the seat of Marcos' leading fan club, though his position suffered stiff competition throughout the rest of the national arena. And beat this: as the economy worsened, his popularity rose.

Other tidbits on the race: while neither sex nor age noticeably affected the voting, the middle to upper classes expressed confidence in Salonga's prowess, and Laurel came out as the favorite of society's lower stratum. Moreover, though all the Opposition groups combined laid claim to 41 per cent of the total vote, KBL preened as the leading political party with a rough third of regional support.

Worthy of note, also, are the four most influential reasons for the choice of candidate: genuine concern for people; political experience; intelligence; and the ability to implement changes. Interestingly, while Marcos scored significantly in terms of intelligence and political experience, he proved wanting in his concern for people. Both Salonga and Laurel, on the other hand, showed strength in all but their intelligence. Tolentino was seen as politically experienced and concerned about folk in general, while Aquino, too, received his pat on the back in the area of the "genuine concern" bit.

The survey itself, made available exclusively to Mr. & Ms., is a result of 2,000 interviews in key Philippine cities. From 18 to 60 years of age, and representative of the different economic classes, the subjects were polled during the first quarter of this year, in the

hope of gauging the election climate two years hence.

If for this reason alone, its conclusions are contestable. Firstly, the survey presumes a stable political system, overlooking shifting alignments in Opposition alliances, as for instance, with BAYAN or the NUC. The mock poll was set up as a choice among 28 possibilities; in the actual election, not all of the candidates named by the study will actually appear on the ballot. Simply, Marcos will not be pitted against 27 others, as he was in the survey; at most, there will be two or three major Opposition contenders for the presidency. The study fails to break down the Opposition as it exists — or will.

What is telling, therefore, among the study's findings, is that, fragmented, the Opposition cannot win. But even if it is divided into two parts, it stands a healthy chance against Marcos' 16 per cent command. And in terms of partisan strength, though neither the KBL nor the combined Opposition groups control the majority *per se*, the Opposition still retains the edge with 41 per cent versus KBL's third of the vote.

Significant, as well, is the 29 per cent slice of interviewees who refused to indicate their choice. Shades of boycott aside, several reasons for the silence are possible: simple indecision on whom to choose; belief in the impossibility of a free and fair election; the chance of none of the candidates appealing to the interviewee; or, perhaps, mere apathy, or maybe even a sense of fear.

Reasons For Choosing Candidate

	Total	Ferdinand Marcos		Salvador Laurel		Jovito Salonga		Butz Aquino		Arturo Tolentino	
		%	%	%	%	%	%	%	%	%	%
Has a genuine concern for people	39	39		58		59		68		55	
Is experienced in politics	32	53		53		49		27		63	
Is intelligent	31	54		41		44		32		37	
Will be able to implement changes	28	35		48		50		40		45	
Is able to carry out promises	26	36		33		26		45		27	
Is internationally well-known	22	39		24		30		21		25	
Is a person of integrity	21	18		30		37		33		34	

Note: Boxes highlight reasons cited by 50% (± 2) or more of respondents

Other survey loopholes are actually sins of exclusion. Major among these is the fact that only key urban cities were included in the study's sampling design — what of the countryside?

The survey, for what it is worth, provides certain morsels to chew on. Marcos is neither as popular as his party claims, nor as unpopular as the Opposition would have us believe. Opposition would have us believe. The major reasons for choosing a candidate, despite supposed politicization, are still largely personality-oriented. A large percentage of Filipinos seem more interested in a change in actual leadership than in system, as support for Laurel (and thus the conservative Opposition) shows. And on goes the list a list that means anything only if, in the first place, the presidential election will at all be clean, open, and fair. But then, sez who?

MM

CSO: 4200/1071

PHILIPPINES

COJUANGCO BARES ECONOMIC PLANS FOR DAVAO DEL SUR

Davao City PEOPLE'S DAILY FORUM in English 22 May 85 pp 1, 8

[Text] The Cojuangco Group of Companies today bared its socio-economic development plans for the province of Davao del Sur in a meeting with top officials of the province.

Ambassador Eduardo Cojuangco, head of Aquacor, Cacao Investors, Inc. (CII) and Hacienda San Miguel bared the plans before Gov. Primo L. Ocampo and several mayors of the province during a conference held at Guihing, Hagonoy.

Mr. Cojuangco said his companies will provide housing facilities for employees under a unique arrangement, and prawn fries to small and medium scale fishpond operators and owners in Davao del Sur.

He told the local chief executives that in the case of CII, the company will shoulder fifty percent (50%) of the lot and construction costs, while the other half, shall be shouldered by the employee on an easy installment plan.

Cojuangco further explained that all payments made by the employee shall be deposited in a bank. After ten years, if the employee maintains his good standing with the company, the house, lot and bank deposit shall be given to said employee without charge. This unique arrangement is expected to be implemented soon, the ambassador announced.

In a related development, Mr. Cojuangco informed Gov. Ocampo and the town mayors that he plans to enter into an agreement with small fishpond owners and operators in Malita and immediate environs relative to prawn development.

Ambassador Cojuangco said, his firm, Aquacor, will provide prawn fries to fishpond operators on a "buy-back" agreement. If the owners of fishpond will buy the fries from outside market, they are free to do so, he said.

Mr. Cojuangco also projects a bright future on aqua-culture, especially on prawn production in this part of the country. He also noted that prawn production in Malita and other neighboring towns expected to improve the income of the people and the economy of the locality as a whole.

He further said that the growing demand from prawn and the attractive price of the aqua product in the market is promising. He likewise reported

the construction of an airstrip in Hacienda San Miguel at Culaman, Malita, Davao del Sur to service planes that will transport prawn for Manila and elsewhere.

The conference was attended by mayors of municipalities where the Cojuangco Group of Companies have investments, namely; Mayors Isidro Sarmiento (Malita), Benjamin Gapusan (Sta. Maria), Perfecto Sagarino (Sulop), Estaquio Mamringao (Kiblawan), Miguel Dumdum (Matanao), Bartolome Hernandez (Lagonoy).

Gov. Ocampo expressed his optimism over participation of the private sector on government's thrust on socio-economic development of the province of Davao del Sur.

He said the programs conceived by the Conjuangco controlled companies in Davao del Sur is welcome threat to the people and the local government.

CSO: 4200/1095

PHILIPPINES

MARCOS ADMITS CULTISTS ROLE AGAINST REBELS

Quezon City ANG PAHAYAGANG MALAYA in English 23 May 85 pp 1, 2

[Text]

The government drive against insurgency is gaining because of the support of "various sects and cultists fighting the New People's Army (NPA)," President Marcos said yesterday.

The President's recognition of the role of the cultists - who have been consistently denounced by human rights groups as being used by the military for atrocities and "hit" missions - was the first admission by government that it is aware of the activities of these groups, but that it considers them allies.

The role of the cultists and sects, blamed for numerous gory killings of mere civilian suspects, was one of the major factors Marcos cited as having helped government "gain momentum" in the anti-insurgency drive.

Marcos spoke on "the drive's gains" in a conversation with Admiral William Crowe, Jr., commander-in-chief of the

United States Pacific Fleet, and American Ambassador Stephen Bosworth.

Other factors which Marcos cited as having helped push back the communist drive are:

"the government is maintaining closer and better liaison with the church, not only on the parish level, but all the way up to Cardinal Sin;

- local executives, professionals and ordinary citizens are requesting to be trained in order to participate actively in the anti-insurgency drive; and

- the reported cooperation between the NPA and the Moro National Liberation Front (MNLF) is not true."

The President was reported to have told his American visitors, "there is no stopping" the efforts initiated to "ensure national stability."

The President said he has received reports that the communists "feel very frustrated by the success of the civic action program launched to raise the standard of living in the rural areas."

"We are not saying we

are over the hump. We are saying that in the next six months we will be able to go after them wherever they want to fight," he said.

In Mindanao alone, human rights groups and other concerned parties estimate there are at least 12 big fanatic sects and cults, all rabidly anti-communist and teaming up with military and paramilitary groups in the drive against subversives.

Human rightsists accuse the government of exploiting this fanaticism and folk superstition to go after suspected subversives even at the expense of ordinary civilians.

In the latest gory murder attributed to such groups is the killing of Italian priest Fr. Tullio Favali last month in North Cotabato.

Eyewitnesses interviewed by church groups say a group of paramilitary elements belonging to the fanatical "Ilaga" shot dead Favali and even scattered his brains.

Military authorities deny condoning atrocities by cultists and sects.

PHILIPPINES

ARTICLE SUMS UP MNLF ACTIVITY, MANILA DISDAIN

East Burnham ARABIA: THE ISLAMIC WORLD REVIEW in English Vol 4, No 45 May 85
pp 37, 38

[Article: "Philippines Mujahideen Are Far From Finished"]

[Text]

Following the split in the Moro National Liberation Front leadership and occasional surrenders of some mujahideen, the Marcos regime in the Philippines wants the world to believe that the MNLF is a spent force and that Marila's troops are in full command of the situation in the South. But reports coming from Moro land suggest otherwise. They indicate that the mujahideen have continued to organise regular guerrilla attacks against the Marcos army.

Early this year the mujahideen reportedly destroyed a Philippines gun-boat in Zanibanga city. The Boat, *Viking 442* described as a 60foot patrol craft, was docked at the wharf at Calarion opposite the headquarters of the naval southern command. It was bound for Bonagao, Tawi Tawi, and loaded with military supplies for the marines based there. The military hardware destroyed in the attack included machine-guns, rifles, mortars, hand grenades and assorted ammunition. The explosion that sank the boat was so powerful that it was heard several miles away. The army lost seven naval officers.

Prior to this incident the mujahideen carried out an operation against the army in the village of Dunguan, Aleosan, North Cotabato, which resulted in the death of four soldiers.

Similarly in Kidapawan, North Cotabato, the main power station of North Cotabato Sugar Industries Incorporated (NOCOSI) was destroyed by a powerful blast in January this year. Government sources say that the explosion was accidental due to the overheating of the power generator. But

the mujahideen sources have disputed the claim and said that it was the work of several persons opposed to the government. The destruction of the industry's main power plant has almost crippled sugar processing.

These successful attacks have given the mujahideen much-needed confidence and have boosted their morale which seemed to be very low following the reports of surrenders of some of their former colleagues. *Arabia* sources have revealed that the mujahideen have started re-organising from village level and have established new military camps regionally and nationally. In the semi-liberated areas the number of military camps has also increased during the last three months. Meanwhile, the government has been using all techniques possible to discredit the mujahideen and divide them in order to further confuse the people at home and abroad.

On the one hand, the government has been spreading propaganda that the mujahideen were collaborating with the communist guerillas in the south while, on the other, it is instructing its officials to introduce some Islamic change in the region. Government news bulletins and reports have circulated several fabricated stories about the alleged joint military operation of communists and the mujahideen. The government says that the mujahideen are now desperate and are supporting the communists in order to hide their defeat from their supporters.

The mujahideen sources have, however, denied any cooperation with the communists. They assert that the

mujahideen can fight their own battles as they have been doing over the past many years. They believe that the government wants to mislead some of the Muslim countries about the true nature of resistance and the jihad for the Moro home land.

It seems that these allegations have failed to cut any ice in the Muslim world which continues to pay lip service to the mujahideen cause. However, what is confusing to the Muslim people outside the Philippines is the division within the liberation movement. The Muslim organisations in the Muslim world and the West believe that the split in the movement has helped the Marcos regime to consolidate its position in the south.

It appears that the government has also been using the division within the leadership to its political advantage. It is learnt that the government itself has embarked on an Islamic programme in several areas in the south. This is done to impress upon the Muslim people that Islam can be introduced without Muslims and the mujahideen.

Provincial officials in Marawi city, Ranao del Sur and Ranao del Norte have tried to introduce some Islamic principles in the educational institutions with the

help of some of the local Muslim religious preachers. But government tactics seem to have boomeranged, as no one in the Muslim community is prepared to believe that an administration which has been victimising them so long would suddenly change itself into their messiah.

Mujahideen sources have rejected these charges describing them as farcical. They say that "those who are supporting the changes are deviating from the path of the Jihad." The mujahideen ask, "How can the Islamic system be implemented in the Philippines where the prevailing system is complete anathema to the Islamic system?" It appears that the government may not succeed in winning over local Muslims through showing Islamic colours in patches.

The mujahideen understand that, following the failure of the divide and rule techniques, the government might increase its military presence in the south. To face a regime as ruthless as that of Marcos the mujahideen rank and file believe that "their leadership needs to come together to chart out new strategy to combat the enemy," otherwise they point out the struggle may continue with more sacrifices and martydoms without any substantial political gains.

CGO: 4200/1094

PHILIPPINES

NPA 'RETURNNEES' HUNT FORMER COMRADES IN MINDANAO

Manila BULLETIN TODAY in English 21 May 85 p 23

[Article by Ruben B. Cal]

[Text]

GENERAL SANTOS CITY — They are called the "war dogs."

They are composed of young, captured New People's Army (NPA) members led by an amazon, and operate with the southwestern forces under Army Col. Orlando Soriano in hunting down rebels in South Cotabato.

Together with government forces, the "war dogs" serve as guides during combat operations.

Another role they play is leading the conduct of seminars similar to the methods they used when they were with the NPAs.

So effective are the "war dogs" that the Sparrow Unit, the NPA liquidation squad, has sent "hit men" to kill former NPA amazon Meibe Mula, alias Lisa

Michell, a former church catechist and now leader of the "war dog" unit, who was captured last March 27.

After Mula was captured and with several other NPAs, the military was able to win back their sympathy that in no time, they have cooperated with army troops, according to Capt. Elicardo T.

Cabangal, the usually reticent intelligence officer of the southwestern forces, based in this city.

Cabangal said the 28-year-old Mrs. Mula, a mother of four, has been instrumental in the anti-insurgency drive in South Cotabato by conducting seminars on the evils of communism and relating to the people how she was hoodwinked in joining the movement.

It was during these seminars that people in the hinterlands who were slowly being influenced by the NPAs came to realize the insurgents' ulterior motives after hearing lectures of Mrs. Mula and her group.

"With their help, we were able to raid several NPA hideouts in the hinterlands and city proper during the past few weeks," Cabangal said.

Cabangal said the information given by these captured rebels were so accurate that we caught the NPAs flat-footed nearly everytime we conduct an offensive operation."

The NPAs were so infuriated about the activities of Mrs. Mula and her group that they sent on a special mission

Ann Fil Soles, alias Nancy, a pretty 18-year-old member of the dissidents' "passibilis" or rapid information unit, to "spy" on Mrs. Mula.

But after entering the premises of the southwestern forces, Soles was immediately identified by other captured NPA members and was immediately arrested, Cabangal said.

When Soles failed to return, the NPAs sent several "hit men" to liquidate Mrs. Mula but they were all captured.

About 50 NPAs who were captured by the southwestern forces have now joined the "war dogs," Capt. Cabangal said.

Members of the "war dogs" infiltrate areas also being infiltrated by the NPAs. It is during this infiltration that the "war dogs" not only conduct seminars but also convince the people to pinpoint who are the NPAs among them.

Other captured NPAs who are now members of the "war dogs" are Clarita Pagagat, alias Grace, 27; William Marimon, alias Arni, 23; Angelito Pagagat, alias Jimmy, 17; Raul Suay, alias Nono, 23; Gregorio Baral.

CSO: 4200/1094

PHILIPPINES

ARMY DEFECTOR TO NPA EXPLAINS CAUSE

Quezon City VERITAS in English 12 May 85 p 10

[Article by Monica Feria]

[Text]

AFTER serving the Armed Forces of the Philippines for 10 years, disbelief in and disillusion with the government made him defect to the rebel side.

"*Nakita ko na ang army mala-yo sa masa, na mga sundalo lang kami (noon) ng mga mayayaman . . . samantalang nguyon ito, mabuti sa tao,*" explained Sgt. Benjamin Abinsay in his characteristic direct and serious tone. (I saw that the army was alienated from the masses, that we were merely soldiers of the rich . . . while this (NPA) is good for the people.)

Sgt. Abinsay was a former member of the Army's 28th Infantry Brigade who saw combat with Muslim rebels during the early years of Martial Law. He later served in the administrative staff until his beliefs in the government waned. In the latter half of 1982 he became what the government calls an insurgent.

Unlike most of the Visayan-speaking rebels operating in the mountain ranges of Eastern Mindanao, he spoke good Tagalog and was older than the average 16-22 year-olds in the rebel unit.

The defection of "Sarge" as he is fondly called was not a simple decision. When he was vacationing in his native Surigao, he was approached by friends and relatives who had contacts with the NPA. Some relatives, he learned, had been victims of military-linked

"salvagings." Still, he reported for work in the army barracks for another six months before he made the final move to "go to the mountains."

While the Communist New People's Army, estimated to number 10 to 12,000, is still insufficient to engage the 240,000-strong government armed forces in formal combat, the conditions obtaining in the country favor the NPA's continued growth and influence.

"While the rebels have acquired less formal training, they have acquired through actual combat experiences better skills than the regular army man," observed Sarge.

The hardships they are encountering now will lead to better opportunities for his poverty-stricken relatives and friends and there will be less government bias towards the rich and foreign multinational plantations. These visions are what inspire Sarge to continue with the struggle.

SARGE often picks wild *sili* along jungle trails and eats this with mixed rice and corn mush for meals. For all their sacrifices, the rebels get only P7 each daily, P25 for cigaret allowance and they are provided with detergent soap.

"Dito sa bundok, sinasanay namin ang sarili sa hirap...pero pagdating ng araw bawi rin," [Here in the mountains we're growing our needs, self sufficient within adversity...when the day comes, we will recover everything,"] he comments.

In the rebel-held mountain areas, no alcohol and drugs are permitted. Before, moderate drinking was tolerated but after some bad experiences of rebels firing in the air, the top command absolutely prohibited drinking for combatants.

Sarge compares: "Ang mga leaders dito bata pero mas disciplinado kaysa sa military. (The leaders here are very young but they are more disciplined than the military.)"

When Sarge joined the rebels, leaving an AWOL mark on his army record, he was first assigned to planting rice and tubers in a rebel "production base." "I knew they would not trust me right away and I do not blame them for being cautious," he said in Tagalog.

After six months on this grind he was assigned to what is called a "semi-legal" team. These teams are the "door-to-door salesmen" of the rebel cause. They knock on five to 10 houses a day introducing themselves as NPAs and explaining their mission to the village folk.

Again he stayed in this work for six months before he was promoted to the "front guerilla unit." By December last year he was sent up to the "main regular guerilla unit," which is a mobile full-time rebel company.

RECENTLY, Sarge who is a platoon leader was assigned as training officer for new recruits. "I share my experiences with them in their initial one-month casual training," he said. Remembering his 18-month military training in Cagayan de Oro in 1972 before Martial Law was declared, he comments. "Training here is simplified and discipline is imposed through close personal relationships and not so much on a strict command line."

Sarge is known as a specialist in commando operations and wields a sure-spinning knife which is useful during surprise assaults.

There have been several close calls along the way. He recalls one encounter where the commanding officer and his assistant were felled by army bullets right beside him. Sarge took over and finished the operation. He remembers how he was able to take back seven armalites, a Browning automatic, a garand and a carbine rifle to their jungle camp.

"Right now, we can already form an army," Sarge boasts. But he adds that it is not yet their strategy to call the scattered units in one campsite. Today, too, the NPAs can afford to be more selective. "We have pegged a 17-year

old age requirement. Before, many joined when they were only 14 or 15 years old."

There is another army defector in his company, he says but at the time of the interview he was out on patrol. "Scout ranger siya," adds Sarge. His commanding officer is a 22-year old lad named "Jing." "He is good," comments Sarge and realizes the importance of accurate intelligence work. There are two women in his company and "they fight as hard as we do and demand no special privileges," he says proudly.

Although the NPAs agree that they have a long way to go, their complete knowledge of the terrain, their friendship with the upland villagers and their high discipline and morale give them a fighting chance.

Already, with the increased troop formations of 100 to 200, it is difficult for the military to move against them lest a battalion is fielded. But more than this, the government military troopers will have to match their discipline and dedication. For more than military exchanges, it is, as all agree, a battle for the hearts and minds of the people. The force that can win not only the friendship of the people but also their imagination for a better future will emerge the winner.

CSO: 4200/1071

PHILIPPINES

ARMY GENERAL WARNS CITIZENS AGAINST JOINING NPA

Manila BULLETIN TODAY in English 22 May 85 p 12

[Article by Antenor B. Parazo]

[Text]

ECHAGUE, Isabela — Brig. Gen. Alexander Felix, commanding general of the Regional Unified Command (RUC) 2, has deplored the way New People's Army (NPA) men had been terrorizing the people to force them to join the rebels' cause.

General Felix warned the people that they may be hoodwinked by the rebels into joining the dissident force.

With the rebels' terroristic acts, they would be more ruthless and callous once they get into power, the RUC chief said.

Citing instances and figures to prove his charges, General Felix

pointed to the alleged NPA-instigated killing of eight civilians, including a retired Constabulary colonel, by dissidents belonging to the NPA Sparrow unit in Gonzaga, Cagayan. The victims were buried in a common grave, he said.

On being informed of the incident, General Felix said, he ordered the bodies of the victims exhumed and turned over to their families. The RUC chief said that he learned of the slayings following the confession of a captured dissident leader.

The victims were identified in an army report as Filomeno Ro-

sete, Orlino Yadao, Rodolfo Obispo, Pedro Ugalde, all farmers from Magrafil, Gonzaga, Cagayan; and Col. Orlando Madella, a retired PC officer.

The only motive for the slayings, said the RUC commander, was the victims' refusal to join the rebel organization.

The slain PC colonel was treasure-hunting in Diadi, Nueva Vizcaya, when he was nabbed by a rebel unit, the army report about his slaying stated.

The colonel was with two others when he was captured. One of his companions was identified as Ruben Noveno

who escaped and reported the incident to military authorities.

Noveno told military authorities that their third companion was buried in a grave he himself had excavated.

CSO: 4200/1094

PHILIPPINES

ISABELA GOVERNOR HITS NPA ECONOMIC PROPAGANDA

Manila BULLETIN TODAY in English 23 May 85 p 1

[Article by Antenor B. Parazo]

[Text]

CABAGAN, Isabela — Gov. Faustino Dy has called on the people to ignore what he termed as black propaganda of the New People's Army (NPA) as he urged the citizenry to stand solidly behind the government food production and infrastructure programs.

The governor spoke before a big crowd of farmers here, to pursue, he said, his information drive which has been stopped for almost a month due to the recent series of Kilusang Bagong Lipunan (KBL) caucuses called by President Marcos.

The NPAs, Gov. Dy said, had been carrying on a propaganda on high prices against the government, to enable them to convince the people to join the disident cause.

The economic crises in the Philippines have been due to the rise of the cost of oil, he said, adding that this should not be taken against the government since it is not in control of oil prices.

"This economic hardship is happening not only in the Philippines, but throughout the world," he said.

He said that some 10 years ago the government was paying \$250

million for local oil consumption. Today, he explained, the government is shelling out \$2,500 million for the same amount of fuel from oil producing countries.

In other words, the governor said, the price of our oil needs has increased 10 times its value a decade ago.

While it is true, the governor admitted, that there has been a sharp rise in the prices of prime commodities, the farmers are the least affected by the increase because of the high government price for farmers' produce, such as rice, corn and tobacco.

CSO: 4200/1054

PHILIPPINES

KBL ORIGINS OF SYNCHRONIZED POLL TRACED, ANALYZED

Manila PHILIPPINES DAILY EXPRESS in English 20 May 85 pp 4, 5

[Article by Jesus Sison in the "Perspective" column: "Who Started It?"]

[Text]

WHEN President Marcos rejected the idea of synchronizing the presidential and local elections in 1986, a lot of quizzical eyebrows were raised and the question commonly asked by every political leader was "Whose idea was it?"

As a matter of fact, one KBL leader issued a statement supporting the synchronization proposal on the same day that Malacanang announced the President's stand on the matter. When he learned that the President was against the idea, the KBL leader hurriedly looked for the newsmen and requested them to suppress his statement. He obviously did not want to incur the presidential ire.

But who was really behind the move to synchronize the elections of the president, vice president and the local officials? On the surface, it appeared that the suggestion was made by the opposition. A statement attributed to the KBL said that the opposition made a proposal to synchronize the presidential and local elections on the second Monday of May 1986. But the names of the opposition leaders who were supposed to have made the proposal were not mentioned.

After the idea was floated in the newspapers as an opposition brainchild, Batasang Pambansa Minority Floor Leader Jose B. Laurel Jr., former Senator Salvador Laurel and MP Neptali Gonzales picked up the issue and suggested that the presidential and local elections be synchronized as soon as possible on January 30, 1986, or even earlier. They claimed that their suggestion was in response to feelers made by the KBL on the synchronization of elections.

If we were to believe the gentlemen from the opposition, then the issue of synchronizing the elections must have come from the KBL. If so, then the KBL leaders must have misread the smoke signals from the Great Chief in Malacanang. Either that or they must have their signals crossed. But Deputy Prime Minister Jose Rofio said there was nothing wrong with the signals.

If the statement of President Marcos rejecting the idea were to be examined closely, he did not entirely slammed the door shut on the possibility of synchronizing the presidential and local elections. He said that a KBL caucus last month already decided that the local elections and presidential election be held as scheduled in 1986 and 1987 respectively. "Unless another KBL caucus decides otherwise, this position holds," he said.

There is no doubt about the unanimity of the Batasang Pambansa leaders on the synchronization of elections. At the regular meeting of the Batasan Press Breakfast Club last May 16, all the six guests — Deputy Prime Minister Jose Rono, Political Affairs Minister Leonardo Perez, Deputy Minister of Justice Manuel Garcia and opposition MPs Homobono Adaza, Neptali Gonzales and Luis Villafuerte — agreed on the need to synchronize the elections. But the KBL and the opposition MPs could not agree on the manner of doing it. There will be four elections within the next five years from 1986 to 1990 and the drain on the government's finances will be painful.

The opposition proposed that to make the synchronization of the presidential and local elections possible, President Marcos should resign and then run for election. That may be good for the opposition but it will be bad for the President and the KBL. Why should the President resign when he was elected to a six-year term ending in 1987? That would be violating his contract with the people. If the President resigns, he will no longer be President. And why should he run for an office which he already quit?

A wiser proposal was the one made by Deputy Minister Garcia. He suggested that the local elections be held as scheduled in 1986 but the local officials should be elected to a four-year term so that the next local election will be in 1990 to coincide with the Batasang Pambansa elections. The presidential election will be held as scheduled in 1987.

But whatever they finally decide on, the politicians are to be cited for tackling a problem which other leaders before them failed to solve. The old congress and the 1971 constitutional convention tried to settle the synchronization issue without success. And the Interim Batasang Pambansa deemed it wise to leave the problem to the Regular Batasang Pambansa for solution.

There are many reasons why elections should be synchronized but the strongest motive should be to achieve economy. We are still suffering from the effects of a crippling economic crisis. And we should not suffer more as a consequence of unwise frequent and expensive elections.

CSO: 4200/1094

PHILIPPINES

BACKGROUND ON 2D RANKING NEGROS NPA MAN

HK220120 Manila BUSINESS DAY in English 21 Jun 85 p 5

[Article by Teodora V. Montelibano]

[Text] "My brother went to the hills because of military brutality and not because of political ideology," Leonardo Gallardo, an executive of an inter-island shipping company in the Visayas, said of his younger brother, Silvino Gallardo.

The younger Gallardo, known as Macau to his friends and classmates at La Salle, Bacolod, and at the University of the Philippines [UP] in Los Banos, joined the New People's Army after martial law was declared in 1972.

Now believed to be the second highest-ranking member of the NPA organization in Negros Occidental, Macau has been in the hills for the past 13 years.

As a young boy, Macau was quiet and shy and was not an exceptional student, according to Leonardo. "But he must have had some streak of idealism, as his involvement with the Philippine Youth Action, a civic organization composed mostly of Macau's La Salle schoolmates who campaigned for Raul Manglapus in the presidential elections in 1965 showed," Leonardo related.

After high school, Macau went to UP Los Banos where he found himself immersed in the world of campus fraternities. He became head of a Visayan frat, "Labay," which had its share of intra-fraternity frays. Macau's fraternity activities became so involved that just before the imposition of martial law in 1972, his family made him go home to Bacolod even before he could finish the school term.

Back in Bacolod, Macau spent the time waiting for school to open by going hunting, a boyhood passion. It was while on a hunting trip in the Kanlaon Mountains just before martial law was declared that Macau and some friends were apprehended by a Philippine Constabulary [PC] detachment in the area. Suspected of being insurgents, Macau and his companions were brought to the PC headquarters in Dumaguete, Negros Oriental, for questioning.

When the Gallardos heard about Macau's arrest, Dr Jesus Gallardo, a prominent Bacolod physician, drove to Dumaguete to fetch his son.

"My father's blood rose when he saw what the military had done to Macau and his friends," related Leonardo. Macau and his companions were found dumped in a coop, their hands bound to their feet in iron cuffs. "They looked like animals being readied for slaughter and my dad was prompted to declare that the Japanese, during World War II, treated their Filipino prisoners of war better," Leonardo said.

Macau showed Leonardo the bruises he sustained when he was beaten up with a thick cable hose.

Macau's brutal experience left a permanent scar. "They (the military) bruised his mind more than they did his body," Leonardo said.

On the eve of the declaration of martial law, military men came knocking at the Gallardos' door, looking for Macau who was out with his girlfriend. He came home the next day, apparently not even aware that martial law had been declared.

After holding a family council, the Gallardos decided that Macau had to run and hide since "if we gave him up to the military and something happened to him, he might never forgive us," Leonardo said.

Macau agreed to go underground but before he walked out the door, he told his brother he was going into hiding "not for anything else but because he didn't want to be tortured by the military again."

Some 3 months later, a man came to their house saying Macau would like to see his father. Leonardo and his father were brought to a house in the city where Macau was hiding. They found a thin, sickly-looking Macau who told them "it's no joke to be up in the hills pala."

Said Leonardo, "We laughed and reminded him that when he was a kid, his ambition was to be a military man like our grandfather and his namesake, the late Col Silvino Gallardo, a former PC provincial commander of Negros Occidental.

Dr. Gallardo gave Macau a pep talk, some medicine and vitamins and a month later, Macau went up to the hills again. The Gallardos did not see much of Macau after that.

"Now," said Leonardo, "he is considered something of a legend since not only does he seem to have succeeded in effectively transcending his class origins (comfortable middle-class) to become fully integrated with the "masa" whom he claims to be working with and fighting for, but he has also held on steadfastly to his cause while the others who had gone to the hills with him in 1972 have either died, surrendered or have been caught by the military."

Sometime in 1984, Leonardo was able to see Macau somewhere in Kanlaon. Leonardo was brought to two of several camps in the mountains. The first camp, where Leonardo spent the night, was near the lowlands and held about 16 men, "all young, neatly dressed in clean-looking T-shirts tucked into denim jeans and well-armed."

Leonardo said he noticed that only one man in that camp had a Garand rifle while the rest were with high-powered, Russian-designed AK-47s and regular M-16 as well as M-203 grenade launcher Armalites.

Macau met Leonardo in the second camp, some 300 meters higher than the first one. About 20 people were in that camp, including four girls "who all looked like colegialas, except that they each had a 45-caliber pistol tucked into their belts," according to Leonardo.

Leonardo said the same impressive discipline was displayed by the young people in the second camp.

Once, while he and Macau were talking, Leonardo's attention was caught by the arrival of a group of some 10 men who were carrying radio handsets and a big, bulky sack. "I asked the guy carrying the sack what it held and he told me it contained M-203 grenades which they had just purchased from soldiers in the lowlands," Leonardo said.

Leonardo was given an idea about how the NPA introduces itself to sugar workers in a hacienda. On a day that the hacendero is away, a band of cadres would come quietly to the hacienda. Since they are armed, the first reaction from the workers is usually fear. The latter, however, are told not to worry since the guns are only there for their protection.

After it has made its presence known, the band moves on just as quietly to another hacienda.

That particular style of moving about gives the NPA a sense of omnipresence. It also works to the advantage of the workers, particularly if there are concessions they would like to get from the hacendero.

When the hacendero returns to the hacienda, the workers tell him that the NPA had been there. The hacendero usually shows alarm and this is not lost on the workers who now know it would not be too difficult to get what they want from the hacendero.

After the first meeting between the NPA and the farmhands, one or two cadres would make regular visits to the workers and help with the work in the fields, and treat their ailments.

The cadres keep their eyes and ears open for any local problems which, once identified, become the basis for "teach-ins," wherein the workers get to understand their particular situation vis-a-vis the rest of the world through analysis of the social and political structure.

Leonardo asked a young NPA sympathizer in the foothills of Kanlaon if government programs ever reach the people in the area. "Hardly," the man said, adding "that politicians only go and talk with them during elections and that the only representatives of government constantly visible in the area are the soldiers," related Leonardo.

Another farmer he talked to told him he was about to leave the hacienda and join the NPA. He said he and other workers like him "do not want any trouble; our only dream is to plant and educate our children."

The reason they gave for leaving their homes was that "we are neglected by the government; we cannot plant because the planters have no crop loans and neither can we send our children to school because we have no wages."

"Perhaps any new life will be better than the one we are leaving behind."

CSO: 4200/1138

PHILIPPINES

DRIVE STARTED AGAINST SUBVERSION IN REGION I

HK260739 Manila BUSINESS DAY in English 24 Jun 85 p 12

[Text] Baguio City--This city is the communications center of the Communist Party of the Philippines-New People's Army (CPP-NPA) for the Cordillera area, according to several top military officials in Region I.

These officials are Col Manuel Lopez, deputy regional commander of the Regional Command (RECOM) I, Major Marvin Concha, intelligence officer of RECOM I, and Major Marcelo Navarro, operations officer of RECOM I.

In a Peace and Order council meeting here, they claimed that subversives have infiltrated student groups in the city. Some have even entered the professional and clergy sectors, agitating for anti-government protests.

Due to reported increasing subversive activities in the city, the military recently formed an operation code-named "Task Group Blue Lizard" headed by provincial commander of Benguet, Col Bernardo Estepa. It is a twin drive of anti-criminality and anti-subversion.

Major Navarro said NPA members in the Cordilleras are expected to go to the city for rest and recreation during the rainy season, hence the "Blue Lizard" operation.

Navarro, however, said the military offensive in the Cordilleras will continue despite the rainy season. Already the NPA has been driven out from its sanctuary in Tinglayan, Kalinga-Apayao.

Blue Lizard is also directed against areas where the crime rate is high, with a saturation drive set for critical areas in the city.

However, operation Blue Lizard has caused apprehension from some concerned groups. The Northern Luzon Human Rights Organization (NL-HRO), in a statement said it is a kind of the "secret marshals" operation launched recently in Metro Manila.

"The notoriety of the secret marshals in 'enforcing the law' is common knowledge. In the guise of anti-crime drive, how many civilians have been salvaged or executed?" the statement said.

"The fielding of secret marshals in the city to track down NPAs who go on rest and recreation in the cities or to freeze the perceptible increase of subversive activities is not solving the people's problems at all. The insurgency question posed by the NPAs is not the main problem but a mere symptom and manifestation of bigger problems besetting the country," the statement said.

However, military authorities said there will be no secret marshals in the city. Major Navarro said fears of secret marshals are only a "result of fertile imagination of some groups."

Meanwhile, Colonel Lopez said that although subversion is a growing problem in the city, it is still not a big threat. Region I is still relatively peaceful compared to other areas of the country, he added.

CSO: 4200/1138

PHILIPPINES

FINANCE SECTOR RECORDS HIGHEST 1984 PROFITS

HK260753 Manila TIMES JOURNAL in English 25 Jun 85 p 7

[Text] The financing sector, despite crippling setbacks due mainly to tight money, registered the highest profits compared to other major industries in 1984.

Records from the Securities and Exchange Commission [SEC] showed that the financing sector was the most profitable last year among the nine major industry groups.

The sector registered profits amounting to P[peso]2.578 billion, representing 35.8 percent of the top 1,000 corporations' aggregate income of P7.2 billion.

The profit figure last year represents a 35-percent decline from 1983's P3.9 billion total for the sector.

The reduction was attributed to the closure of dozens of financing companies due to combination of factors including high cost of money the tight monetary policies, mismanagement and deliberate fraud committed by company officials.

The sector, based on SEC records, includes insurance, real estate and business services.

The aggregate gross revenue of the group last year reached P61.28 billion, a 31-percent increase from 1983's P46.7 billion.

The records showed that there were at least 118 companies actively operating last year compared to 126 companies in 1983.

The manufacturing sector meanwhile, registered the highest profit growth rate of 1,101 percent to P2.3 billion from P193 million in 1983.

The manufacturing industry generated a total of P128.6 billion in net sales a 28.2-percent increase from 1983's P100.3 billion.

Companies which engaged in manufacturing last year also increased from 399 in 1983 to 425.

The construction sector still lingered on its death bed as the industry experienced the biggest decline in profits of 62 percent from P392.3 million to P148.9 million in 1984.

Sector's gross revenues, however, increased by a measly 7.8 percent from P7.4 billion in 1983 to P7.9 billion last year.

The transportation industry, meanwhile, recovered from its net loss of P1.4 billion in 1983 to P1.48 billion net profit last year.

The sector, however, registered an 8.8-percent decline in net sales from P17.7 billion in 1983 to P15.6 billion last year.

CSO: 4200/1138

PHILIPPINES

COLUMNIST IDENTIFIES 'SUBTLE' RELIGIOUS PERSECUTION

Quezon City VERITAS in English 12 May 85 pp 5, 9

[Commentary by Joaquin G. Bernas, S.J., in the "Occasional Reflections" column: "Subtle and Unsubtle Modes of Religious Persecution"]

[Text]

IT IS often said by the sages of our times that there is no religious persecution in the Philippines; that when religion-related persons or institutions, the come objects of repressive attention, the repression does not qualify as religious persecution because the repression is never directed against religious beliefs but against some other value with which the person or institution might be identified; that in the context of our nation, if a priest or religious becomes the object of repression at all, it is never for his or her religious convictions but for some ideological or criminal involvement.

It all sounds so neat and logical and plausible. I used to like the diagnosis myself. In fact I still do – up to a point, because it is not totally devoid of truth even as it hides subtle untruth.

Religious liberty as a personal value cannot be separated from other liberties which are endowments of one and the same person. Historically, in fact, in the modern development of constitutional guarantees, the constitutional protection of religious speech came first and the guarantee of freedom of political speech came later. There are in fact those who hold that religious liberty is the wellspring of other liberties; but I do not wish to enter into that argument now. My concern for the moment is simply to say that there are both subtle and unsubtle ways of striking at religion.

Tullio Favali, 38, Italian, priest and religious, missionary to our brothers and sisters in Mindanao, was brutally murdered recently. This by no means is an example of subtlety. It has been reported that more than six months before the killing of Father Favali two military officers allegedly made this remark: "Kill an activist priest and sister and you will frighten thousands of laity . . ." If true, the message is clear strike at religious shepherds and the flock will scatter. The technique is blatant religious persecution. It is an effective means of blunting religion as a social force.

The Bishop Escaler case might well be an illustration of still another form of religious persecution. Many unanswered questions surround the kidnapping of the Bishop of Ipil. In an earlier column, I wrote about the questions being raised by the people of Zamboanga. While these questions remain unanswered, the picture projected by the story where it has been made to end is that military forces, at the risk of their own lives, rescued a vocal critic of military and other official abuses. Evil forces kidnapped a religious leader and military knights in shining armor came to his rescue. The religious leader-beneficiary of military largesse should now have a healthier respect for his rescuers and hopefully should mitigate his fulminations against abuses. It is a subtler approach than blowing a cleric's brains out and perhaps

less effective as a deterrent against prophetic fulminations, but it is a blow against religion nonetheless. I do not expect, however, that the technique will work on the prophetic inclinations of Bishop Escaler.

The subtlest mode of them all, however, is what we might call religious fattening. It reminds me of the *sharaska* in Solzhenitsyn's *The Third Circle*. In the *sharaska* special prisoners are kept and treated in a very favored way. The theory behind the *sharaska* is that the quality and the quantity of the sheep's yield in wool is directly proportional to the amount of pampering the sheep gets. Now, apply the *sharaska* principle to religion. When a totalitarian regime gives favorable treatment to a religious group or sect and pampers it and praises it for all the cooperation the particular religious group or sect gives to the totalitarian regime, the religious fiber of the sect or group becomes flabby and its capacity to protect the image of God in man is rendered ineffectual.

When a totalitarian regime is smart, it seeks to neutralize the social force of religion by subjecting it to every available technique of debilitation — brutalization, deception, fattening.

We live under a very smart regime indeed. The Lord's counsel about doves and serpents becomes very relevant. Yet never forget that no government has ever succeeded in crushing religion. And out of the blood of martyrs new believers sprout.

CSO: 4200/1071

PHILIPPINES

JESUIT COLUMNIST COMPARES MANILA, SAN SALVADOR

Makati MR.&MS. in English 10-16 May 85 p 14

[Article by Joaquin G. Bernas, S.J.]

[Text]

NO, I never met Father Tullio Favali when he was still alive. Neither did I see him in death. But in the course of my work when I was Provincial Superior of the Jesuits, I did have many a pleasant moment with the Provincial of the PIME Fathers and I did see some of Father Tullio's colleagues in action in Zamboanga. They are an admirable lot — zealous, energetic, unselfish, thoroughly immersed in the life of the poor people they have chosen to serve.

I have read accounts of the circumstances of Father Tullio's death. I have every reason to believe that he was an admirable man of God and that he gave his life in the service of his people.

The murder of Father Tullio reminds me of the assassination of another religious leader. I never met Archbishop Oscar Romero of San Salvador. But I have read a good bit about him. A little over a year ago I stayed some time with Jesuits in San Salvador and I know that they and millions of others in El Salvador hold the holy man in veneration. He was murdered while

he was celebrating Mass in San Salvador. A few years before his own assassination, Archbishop Romero had presided at the funeral of another priest, Father Rutilio Grande, S.J., who also was a victim of rightist murderers.

The parallelism between El Salvador and Manila are many — among others, a history of colonialism and Christianization, deeply ingrained folk Catholicism, religion intertwined with daily life, and a rightist regime inhospitable to basic human liberties. I am sure too that there is parallelism in the deaths of Rutilio Grande, Oscar Romero, and Tullio Favali. In an interview with *Excelsior* of Mexico just a few weeks before his death, Archbishop Romero expressed his views on martyrdom in the context of his service to his church and to his country. I believe that what Archbishop Romero said is also a fitting explanation of the death of Father Tullio Favali.

Archbishop Romero said:

I have been frequently threatened with death. I ought to say that, as a Christian, I do not believe

in death without resurrection. If they kill me I will rise again in the people of El Salvador. I am not boasting. I say it with the greatest humility.

I am bound, as a pastor, by a divine command to give my life for those whom I love, and that is all Salvadoreans, even those who are going to kill me. If they manage to carry out their threats, from this moment I offer my blood for the redemption and resurrection of El Salvador.

Martyrdom is a grace from God which I do not believe I deserve. But if God accepts the sacrifice of my life, then may my blood be the

seed of liberty, and a sign that hope will soon become a reality.

May my death, if it is accepted by God, be for the liberation of my people, and as a witness of hope in what is to come. Can you tell them, if they succeed in killing me, that I pardon and bless those who do it.

But I wish that they could realize that they are wasting their time. A bishop may die, but the church of God, which is the people, will never die.

I offer the words of Archbishop Romero as one Filipino's tribute to a foreign missionary who has given his life for his adopted people. MM

CSO: 4200/1071

PHILIPPINES

MARCOS ORDERS CLOSURE OF LOSING GOVERNMENT FIRMS

HK230930 Hong Kong AFP in English 0922 GMT 23 Jun 85

[Text] Manila, 23 Jun (AFP)--President Ferdinand Marcos today vowed to abolish all unprofitable government corporations to avert further losses as he ordered a speedy review of 315 state-owned firms, the Presidential Palace said.

The order was issued after reports showed that 15 large government firms had incurred a total deficit of 10.2 billion pesos (551 million dollars) in one year, a palace statement said.

Mr Marcos ordered two special committees to do the review, whose report would be the basis for the abolition of lossmaking or nonessential ventures, and the merger of those which could function better as a single entity.

He said lossmaking private companies taken over or foreclosed by the government would be sold back to the private sector, while others would be abolished to avoid competition with private firms.

Of the 315 firms under review, 93 are parent firms, 153 are subsidiaries, and 57 are acquired-assets from losing private companies foreclosed by government banks, the palace said.

Mr Marcos added that most of these firms are burdened with heavy debts owed to the state-owned Philippine National Bank and foreign creditor banks, while others had been bailed out by the government through fresh loans and capital.

CSO: 4200/1138

PHILIPPINES

MANILA STILL MISSING ONE MAJOR BANK CREDITOR

HK260451 Manila BUSINESS DAY in English 25 Jun 85 p 5

[Article by Conrado R. Banal III]

[Text] A major bank creditor of the country still has to sign up for the financial rescue package which the government and the international banking community have formally agreed on last May.

The bank was one of two foreign banks which as of last week--almost a month after the signing of the package--were questioning the amount of fresh loans they were required to contribute to the package. One component of the package is a \$925-million new commercial loan for the country.

The other bank signed up last week after "tough" negotiations that were, according to Manila-based foreign bankers, reminiscent of those the government had to undertake with Saudi Arabia's National Commercial Bank (NCB).

Sources in banking noted that the new money allocation of the bank that has not signed up can be covered by the fresh loans already committed by the other foreign banks. The new money facility has been oversubscribed, with commitments amounting to about \$1.2 billion against the \$925 million the foreign banks had agreed to give to the country.

But the problem is that the government cannot leave out this major bank-creditor in the rescue package. The agreement with the international banks stipulates that all of the country's major bank creditors must join the package.

Sources said the bank which still has to sign up accounted for more than 3 percent of the country's loans from foreign banks as of October 1983--the start of the moratorium on foreign debt repayments. That was the benchmark used in determining which were major credit or banks. With more than \$300 million in loans to the country, that bank has to be in the package because otherwise the other banks might complain, the bankers said.

At the moment, partly because of that bank's refusal to sign up, all the other foreign banks are still waiting for Central Bank [CB] telexes informing them by how much their new money commitments will be slashed. The CB expect the foreign banks to hold their releases of the committed new loans until they are certain of the actual amount of their individual shares, the bankers said.

Moreover, the \$3 billion in trade financing facility--another component of the rescue package--will not start to move if the \$925-million new money facility is still pending. The availability of the trade financing facility, based on the May agreement between the government and the foreign trade, is predicated on the release of the new money facility.

Most of the new money is expected to go to the payment of the country's arrears in its foreign obligations, such as interests due foreign banks. But it is the trade credit facility which has a direct bearing on business. With credit lines from abroad available for financing importations of local firms, local banks have no reason to ask for advance peso payments for the importations. Such front-end payments mean additional interest costs to many firms.

Local banks and the business sector had expected the trade financing facility to be started by next month. The CB has, in fact, completed the test run of the trade financing facility about two weeks ago, with more than 100 foreign banks sending there telexes to the CB as to their outstanding trade credits--the basis of the trade credits they agreed to provide. CB Governor Jose B. Fernandez Jr has formed a special group to brief both foreign and local banks on the mechanics of the trade facility. While the CB encountered problems in reconciling its figures with those submitted by foreign banks, no major kinks in the operation of the trade facility are expected, CB officials said.

CSO: 4200/1138

PHILIPPINES

BACOLOD BISHOP APPEALS FOR FOOD FOR SUGAR WORKERS

HK241152 Hong Kong AFP in English 1049 GMT 24 Jun 85

[Text] Bacolod, Philippines, 24 Jun (AFP)--Roman Catholic Bishop Antonio Fortich today appealed for massive food aid to thousands of families of displaced sugar workers in Negros Island, saying many were reduced to eating a single meal of corn syrup a day.

The prelate of this central Philippine city made the appeal in a speech before a civil club here, saying church-operated feeding centers serving one-third of the officially estimated 63,000 severely under-nourished pre-schoolers in Negros Occidental Province was "just a drop in the bucket."

Latest Labor Ministry figures show that at least 250,000 plantation and mill workers in the one-crop island, the country's sugar bowl, have been out of work since last month due to production cuts prompted by low world prices.

"We need the assistance very badly now. Time is running out fast. We see daily an increasing number of people going hungry. In many interior areas of (Negros Occidental) Province, many families eat only once a day," the bishop said.

The prelate said the corn and soybean milk syrup intended for a single child were being shared by whole hungry families who flock toward the seven provincial feeding centers in search of nourishment.

"Church workers often had to close their eyes when they see supplementary food for malnourished children end up as primary food for poor families who could barely eat once a day," Bishop Fortich said.

Sugar mills and plantations, which produce sugar at 13 wumS. cents a pound compared to the current world market rate of three cents, began closing up prematurely in April, some permanently, due to bankruptcy and huge debts.

Negros Island contributed 57 percent of the Philippines' total output of 2.3 million tonnes last year, with Negros Occidental accounting for 52 percent, according to official records. Local officials foresee less land planted to sugar in the next cropping year.

Two of the largest mills in Negros Occidental permanently closed shop earlier this month, throwing out a total of 1,600 mill workers.

A Human Settlements Ministry (MHS) survey in a village near here where the displaced mill workers live showed that "hundreds of people have been reduced to eating only once a day," MHS official Zamboanguita Guevarra told reporters.

CSO: 4200/1138

PHILIPPINES

RANGE, IMPACT OF SUGAR CRISIS REPORTED

Effect on Families

Makati MR.&MS. in English 10-16 May 85 pp 5-12

[Article by J.R. Alibutud: "The Death Season Haunts the Sugarlands"]

[Text]

TIEMPOS muertes" — the dead season is what most Negrenses term the months from April to September when most of the sugar mills are silent and most of the people are out of work and hungry.

This year, however, the meaning of "dead season" takes on a frightening new dimension as most of the 350,000 or so sugar workers and their families are reduced to eating sweet potatoes and bananas once or sometimes twice a day.

Joel Abong, seven, is one of the victims. He weighs only a little less than 11.5 pounds, just about the weight of a six-month old baby. Afflicted by marasmus (third degree malnutrition), he can't even remember his father's name knowing him only as "Boy". Also due to the advanced state of his disease, Joel can't talk normally. He whispers.

Joel's father, a sugar worker, is one of the many thousands who have flocked to Bacolod to escape

the crisis in the sugarland only to find themselves in even worse conditions. They live in Palapala, Banago, a barrio near the pier in Bacolod. He became a stevedore and woodcutter.

But his income of ₱10 daily cannot support a family of eight. The Abongs eat lugao (rice porridge out of $\frac{1}{4}$ ganta of rice) and nothing else and only once a day.

Joel's mother, Maria Concepcion, just gave birth to another child a month ago, her sixth. One child has already died.

It is the fourth time Joel has been admitted to the overfull and bedbug-ridden malnutrition ward at the Western Visayas Regional Hospital in three years. It is not sure whether he can leave the hospital this time.

And the situation is not about to improve. Production of refined sugar this year for both export and domestic markets has dropped to 1.6-million tons from last year's 2.3-million tons. A steady atrophy

of the sugar industry considering that as far back as 1975 the industry had already produced 2.85-million tons.

Next year's production is expected to contract even more. Already, hectarage planted to sugar has decreased by almost 30% this coming crop year.

The extremely depressed world market price of sugar is not helped by the savage infighting going on in the industry. Charges of massive graft and corruption and abuse of governmental power have been leveled at the Philippine Sugar Commission (PHILSUCOM) and the National Sugar Trading Corporation (NASUTRA) both under the thumb of the former Ambassador to Japan Roberto S. Benedicto.

Caught in the cross fire between the sugar planters and the government are the sugar workers. The sugar worker is a wage earner, pure agricultural labor to the planters. A sugar worker in the haciendas of Negros is a third or fourth generation laborer in the canefields, knowing nothing but cane as his father and his grandfather before him.

In an average year, the sugar worker gets to work around 160-170 days for which he would get an average daily wage of about 15-20 pesos a day. Of late, however, the decreasing sugar acreage means a labor oversupply.

Haciendas have resorted to rotating the workers. This means that the average work week during the milling season is reduced to about three days along with wage cuts. Most of the work on the canefields of Negros today are done on a contractual or piecework (*pakyaw*) basis.

Pakyaw (see page 11) is resorted to because it affords the planters a chance to circumvent the minimum wage law.

Some haciendas have already collapsed throwing their workers into even more dire straits. Kanlaon III, a 210 hectare hacienda owned by Luis Lacson Gonzaga has been abandoned since last year for lack of adequate working capital. Only 14 hectares are being used productively.

Most of the 100 or so workers entrenched turned to charcoal making for their livelihood. Charcoal making gets them 40 to 50 pesos a week.

"Most of us do not have the money to leave. And if we did, where would we go?" asked Hermogenes Mondejar, president of the local chapter of the NFSW (National Federation of Sugar Workers) "In the near future some of us may starve."

"When the hacienda collapsed last year, some of us have not even been paid our benefits since 1982. One of those not paid, Gonzalo Columbres was killed by the CHDF (Civilian Home Defense Force) last Aug. 15, 1984," said Mondejar.

Studies by the Ecumenical Institute for Labor Education and Research (EILER) show that on the average, every worker's family has lost at least two children. Doctors are non-existent for the majority for their income is not enough to procure food let alone fare for the trip to urban centers.

Another study in 1982 pointed out that 69.4% of 177,373 children weighed in the province was suffering from malnutrition. Thirty per cent of these were third-degree malnourished.

Negros is one whole big sugar cane plantation except for some patches of rice, coconut and bananas. As such, staple foods are scarce and expensive. On top of everything else, the sugar workers themselves sometimes cannot even buy refined sugar which are prohibitively priced in retail stores.

Meals come one or sometimes twice a day if you are lucky. Camotes, bananas, and cassava are usual fare. Rice is a luxury. Some babies whose mothers have lost their milk are fed sugarcane juice crushed from the fields.

But some planters are not helping any. Early this year, workers of a wealthy Negrense who owns three haciendas in Escalante, Negros Occidental, planted excess hacienda land with bananas and root crops to tide them over the off-milling season.

In March, five goons allegedly hired by the planter cut the bananas and plowed over the root crops.

In the hacienda hinterlands, where the word of the *hacendero* is the law, incidents like this occur with dismaying frequency.

Three out of every five workers have either lung problems, tuberculosis, or ulcers. Ninety-five per cent of their homes have no toilet facilities. Schooling is limited to the first few years of the elementary grades, for the children have to start working at around seven or eight to help feed the family.

Even the most radical of the labor federations in Negros, the NFSW, often charged by the military as a subversive front, is asking not even for the minimum wage. All they want is a "just wage". As one labor leader said, "Just enough to keep as alive."

Finding fertile ground in the social volcano that is Negros is the New People's Army (NPA)

Military estimates of insurgent strength have dramatically escalated over the past few years.

The military has already activated a "Task Force Sugarland" under the command of the Regional Unified Command (Region 6) headed by Brig. Gen. Isidoro de Guzman. "Sugarland" was formed to frustrate possible rebel plans of a big offensive.

De Guzman estimates that there are no more than 500 NPAs on the island. But "It is only in the mind that they appear strong. But if they are, why don't they come out in the open, instead of ambushing soldiers who are relaxing?"

Government authorities fear that the NPA will tap the 200,000 strong displace labor force in offensives against the government.

"The ideology is food, clothing and shelter. What we have is a disgruntled people. They are tired of promises, promises, promises by the government. The people in the sugarcane farms are hungry. Let us do something that is immediate and fills the stomach," says Bishop Antonio Fortin.

"The NPA has high credibility with the people. They have been helping the people in the hinterlands, that is why there are hundreds of thousands of sympathizers," Fortich adds.

Cecilia Magsaysay, executive director of the Human Development Foundation and owner of two haciendas in Murcia and Silay towns in Negros Occidental, reports that all of the 150 farms and four sugar mills in which her organization operates are infiltrated by insurgents. "Some of these areas are already being used as bases. The situation, particularly in the south, is critical," adds Magsaysay.

Col. Alfredo Geolingo, Metro Bacolod INP Chief disagrees. "It's under control. It is not escalating. The government is embarking on projects that will look into the problems of the sugar workers. On the other hand, there has been a dramatic increase in crimes against property though."

But the provincial government doesn't seem much fazed by the dissident threat. Governor Alfredo Montelibano, Jr. of Negros Occidental declared, "The insurgency will take care of itself. We just have to show the people that we care."

Sugar has traditionally been a cornerstone of the Philippine economy, being the top dollar earner for the country in recent times, from 1977-1980. Along with the economic clout, the so-called "sugar vote" has been courted by Philippine presidents since Magsaysay.

The sugar industry is based on the paternalistic structure of the hacienda system. The hacendero determines how much is planted, how much the workers would get, and so on even who the worker would vote for. The workers, third or fourth generation agricultural labor, has the system so inculcated in them that theirs is an unquestioning loyalty to the hacendero, at least until the present crisis.

"The prevailing cultural pattern of relation between the hacenderos and the workers is one of subservience. Workers are taught to be grateful to the hacendero for keeping them in his employ. They are told to bear the hardships of work patiently. These values are instilled in the children's minds for they will become future sugar workers," the EILER study explains.

One would notice that the hacenderos would always refer to his or her workers as "my people" in much the same sense that the biblical Moses referred to his people of Israel, though with not as much benevolence.

As such, the sugar vote was part of a wellspring of economic and political influence. The sugar barons could swing any election into someone's favor. It, in turn, has been the recipient of the largest investment incentives from the ruling government.

Being a sugar planter in Bacolod affords a certain status which the elite would rather give up their mothers before relinquishing. In the oversupply of sugar in the present crisis, it has been suggested that the hacenderos diversify into some other crops. But majority of the hacenderos would rather be referred to as a poor sugar planter (which is fashionable) than a rich mongo or camote baron.

When the sugar planters today assail the almost Godlike powers of Benedicto over the sugar industry, they quickly forget that a little over 20 years ago, Benedicto received a tide of overwhelming support from the planters as he ordered the financing of more than 15 sugar centrals in his capacity as chairman of the Philippine National Bank (PNB). This mill expansion effectively broke the stranglehold of the Araneta family over the sugar industry in 1964.

PNB exposure in the sugar central construction totaled 507 million dollars in the early 60s.

Sugar plantations now cover a total of 450,000 hectares of land with Negros accounting for 68% of the total figure. The area is divided into 33,000 farms managed

by 31,000 planters. Seven per cent of this planters own over 50% of the total area.

The planters can recite a long, long litany of PHILSUCOM scandals, from mismanagement of sugar stocks, non-payment of differentials, the importation and dumping of cheap imported sugar in the domestic market to the latest, the supposed deteriorated sugar mess wherein the government lost 195-million pesos.

According to MP Wilson Gamboa and officers of the New Alliance of Sugar Producers (NASP), 1.5-million piculs of sugar which were supposedly "deteriorated" was sold to certain members of the executive board of NASUTRA at a price of 70-90 pesos per picul and was subsequently resold or dumped into the domestic market at 210 to 220 pesos per picul garnering for the schemers a 240 million peso profit..

"The government is using the sugar industry as a milking cow. The people running the industry are greedy and irresponsible. There must be a minimum of government intervention, the planters themselves must control the industry," declared Hortensia Starke, NSAP president.

"Government intervention" is the big bad word among the sugar planters. "The evil in the industry was the control instituted in 1974," declared Guillermo Araneta, manager of the Ma-ao sugar central. 1974 was the year President Marcos signed Presidential Decree 388 creating the PHILSUCOM.

"The problem is that policies are dictated by those who know nothing about the sugar industry. We doubt the sincerity of the government in its sugar program," adds Araneta.

Araneta denounced the hearings of early 1984 when the NASUTRA was supposedly abolished as farce. Almost immediately after the trading was freed, Presidential Decrees came left and right taking back every concession. PD 1939 returned export trading to the folds of NASUTRA. PD 1971, a decree supposed to reorganize the PHILSUCOM took back even domestic trading. "In two years time, how many decrees were issued by the President? Did it solve anything?" Araneta asks.

"We believe that it is time for a change in the leadership of the PHILSUCOM," states Gerry Rodriguez, president of the National Federation of Sugarcane Planters (NFSP).

PD 1971 was supposed to reorganize the PHILSUCOM which was then facing massive graft charges in the Batasan. The decree would provide for a new election of PHILSUCOM Commissioners on May 18.

However, the decree drew its share of criticisms. "It is just a cosmetic change designed to appease the IMF-WB and to defuse public opinion. It has been rigged to put the people of Benedicto in office. We must remember that the problems of hunger and malnutrition would not be solved by PD 1971," said Roger Reyes, NASP secretary.

Joaquin Villarosa, former NASP president says, "They want to foist on us an election which is not even an election at all. It is a farce. The calls for election by proxy with the directors of various associations voting for their planter's associations. All these are their people. The associations haven't had an election themselves in more than 10 years."

Most planters agree that even free and clean elections will not solve anything, only help alleviate it. They have come to a conclusion that a rationalization of the industry and a return to free enterprise will be the first steps to the revitalization of the sugar industry.

"The first thing we must do is abolish all forms of government control except for an agency which would set up production quotas to prevent an oversupply in the market," said Starke. "Control must only come in production, not trading."

Another solution is that the planters diversify into other crops. But some producers point out that if they go into, for example, mongo producing in a big way they would need more capital infusion and government would have to provide processing plants and other infrastructure for the products.

But crop loans are rare in these times and with interest rates running at 40% interest, taking out a loan means certain loss, Manny Lacson, NASP treasurer says, "If the banks foreclosed on the loans taken out by the planters, 80-90% of the planters will be wiped out."

So the planters are now resorting to a few dirty tricks of their own. "Pole-vaulting" is one of these. Pole vaulting is done when a sugar planter would mill his cane under an assumed name or through a dummy in a milling district other than his own. This would cut out the banks from taking a cut of the sugar.

"I practically pole-vaulted 100% of my sugar," said Fred Pfleider, ad-hoc chairman of the Citizens Alliance for the restoration of Democracy (CARD), "I am not proud of it but I have to do it to

keep my farm going. I have to worry about my workers. They have to be fed. I have already diversified to other crops."

Pfleider says pole-vaulting is the norm among the sugar planters in Negros. "It is not uncommon to see canes from the south being trucked north to be milled and vice versa. It used to be done only by those with enormous gambling debts. Now everyone's doing it."

In a bid to strengthen their position against government intervention the sugar planters held for the first time a one-day National Sugar Producers convention last May 3 at the La Salle Gym in Bacolod.

In his opening invocation, Bishop Fortich urged the planters to "take into account the principle of equity and the avoidance of personalities . . . to join in this solemn assembly to save the sugar industry from the many social ills which are the result of greediness and self-serving interests."

"We can never have peace unless there is justice. For peace in the flowering of justice."

In a previous interview, Fortich outlined several possible alternatives for the sugar workers, one of which is the "Food for Work" project. Fortich proposes that the local governments set up projects where for example the workers would dig canals for road drainage in exchange for rice.

Franklin Fuentebella, Planters Association of Southern Negros (PASON) president and convention organizer said, "For long we have been very silent. Labor unrest, the insurgency has been engulfing us. We are being squeezed in from all sides, but if we are united, the government cannot ignore us."

The convention reiterated the call for the return of the sugar industry to free enterprise along with resolutions calling for an investigation into the deteriorated-sugar scandal, a restructuring of interest rates for crop loans, a delay in the holding of the PHILSUCOM elections, the institution of SSS emergency loans to producers, and an immediate payment of export differentials and domestic sugar yet unliquidated.

Not to be outdone, labor federations on both sides of the spectrum held rallies on May 1 and 2 to protest the oppression of the workers. May 1 saw the launching of the KKM or the Worker's Freedom Movement.

The KKM presented several solutions approved by the government and signed by Minister Blas Ople along with Gov. Montelibano during the rally.

KKM, however, labors under a severe credibility gap. Affiliated with the Trades Union Congress of the Philippines and the National Congress of Sugar Unions in the Sugar Industry in the Philippines (TUCP-NACUSIP), the KKM finds itself distrusted by the workers.

NASP leaders charged that the people who represented the laborers in the NACUSIP rally were not laborers, pointing out Art Valdez, KKM head as an identified Benedicto man. His assistant Nene de la Cruz who emceed the rally was pinpointed as a CHDF commander in Salvador Benedicto town.

Edgardo Estacio of the KMU charged that the participants in the NACUSIP rally were paid to attend. The KKM package included the release of the 10 million Social Amelioration fund, 50 pesos in rice loans, a release of 36 million pesos from the Economic Support Fund, Freedom Farms — foreclosed lands would be made available to the workers on a lease-purchase basis, and a cut from the 1-billion peso civic action fund to suppress the insurgency.

Villarosa, however, claimed that the lease-purchase plan on foreclosed properties is part of a Benedicto plan to grab the land of the sugar planters. "All this is part of a plan to relieve the sugar producers of their land. Under the guise of leasing the foreclosed properties to the worker, Benedicto and his men will soon own the land."

Art Valdez, however, sticks to his point. "We must try to make entrepreneurs out of the workers, not allow them just to be wage earners."

The Kilusang Mayo Uno in cooperation with a new umbrella organization of workers the Progressive Organization of Workers and Employees for Reforms (POWER) launched a two-day May Day celebration. Starting with rallies on several points on Negros Island on May 1. The celebration culminated in a seven kilometer march from two points converging on Bacolod City.

Rally speakers which included Nelia Sancho and Leto Villar of

the KMU denounced the lack of genuine reforms in Negros.

NFSW leaders say that the best bet for the workers to stave off starvation would be communally operated farmlots planted with survival crops. That much has been accomplished, the problem is until the crops mature, which would be in three months, what would they eat?

And so in Negros, the land of sugar barons and social volcanoes, the planters hold their conventions, the government holds their elections, the priests utter their prayers, and rally speakers say their piece, but night after night just last week, Joel Ahong slept with a grumbling stomach. Hot air isn't very filling . . . and neither are words. MM

Child Labor Reported

Makati MR.&MS. in English 10-16 May 85 pp 8, 9

[Article by J.R. Alibutud]

[Text]

RONEL Canar never had a chance. The scars on his 12-year-old arms and legs were not caused by mishaps on the playing field. They were caused by sugar-cane — which he has been cutting and weeding since he was eight.

With his head shaven to rid himself of lice, it seems too big for his seemingly frail body. Though 12, he is the size of an eight-year-old child. Complete with thin limbs and knobby knees, signs of second-degree malnourishment, it is hard to imagine that Ronel can do a full day's job.

"If I cannot work, I cannot eat." In a sentence, that sums up the life of Ronel Canar.

Ronel finished grade four and is the youngest in the family. His father is semi-retired since he was stricken with tuberculosis. Meals (or maybe meal would be a better term, for sometimes he makes do with one meal a day) would be mashed bananas and nothing more.

Five pesos a day is what Ronel earns for cutting cane eight hours a day under the blistering Negros sun. Paradoxically, he earns less today than he did four years ago. He earned six pesos a day when he was eight.

Cutting cane is torture. The heat is terrible. Sweat drips into your eyes and blinds you. The espading or the sugarcane machete feels heavier and heavier. And there is no time for rest. The cane also has very fine hairs along the stem which causes skin irritations and itchiness.

Ricky Salaver, 11, fellow child laborer who works as a loader, says, the common reason, "The bundles are heavy, but we have to eat."

But scarred deeper than Ronel's and Ricky's limbs is their spirit. The sheer pain of life seems to have beaten the very dreams they hold.

For to Ricky and Ronel and the thousands of children like them working in the canefields, life is too hard to entertain dreams.

They could not imagine what life would be like if they were not working. When asked what they want to be in life, Ronel said he wanted to sell vegetables and after much prodding Ricky said he just wanted a plot of land to farm.

It is estimated that almost half the sugar workforce is younger than 15 years old. In Binabuno town, they start younger, at around six or seven. "They will work when they can start working."

Child labor is resorted to in Negros for no other reason than survival. Fred Pfeider, CARD chairman and planter, says, "I would like to see it otherwise, but the families of these children have no other means to survive. It is something you just can't say no to. I would be taking food out of their mouths if I stop the kids from working."

Natalio Sitjar, legal counsel of the National Congress of Sugar Unions in the Sugar Industry in the Philippines (NACUSIP), says, "The province is a one-crop economy. The wage is substandard even if the planters comply with all the

legal standards. It is a demand of survival."

But in the better organized and probably well-off *haciendas* in central Negros the practice is being discouraged by paying the workers better.

Child labor is the byproduct of another institution of *hacienda* life, the *pakyaw* or piecework system. When the father is given a job on a piecework basis like weeding a half hectare of land, he usually can't do it by himself in one day but he gets only one day's worth of wages. So he gets help from his family.

Child labor perpetuates itself as an integral part of the *hacienda* system. The children are trained for nothing else but being an *hacienda* worker. Forced to give up schooling at an early age, the child gives up any hope of improving his lot in the search for a meal a day.

With the worsening economic crisis in Negros, it could only be expected that the conditions under which the children would be working would become worse.

One day the children of Ronel and Ricky would perhaps have a chance to have dreams of their own.

Labor Details Reported

Makati MR.&MS. in English 10-16 May 85 pp 10-11

[Article by J.R. Alibutud]

[Text]

Each morning during the milling season, the family of Romulo Santos goes to work in the cane fields, four of them in a family of six. Each evening they bring home 35 pesos, fruit of 32 man-hours of labor each day.

The legislated minimum wage for rural agricultural workers is 32 pesos a day, but in Negros only "less than five per cent implement this order".

Planters get around the Minimum Wage Law by operating their farms on piecework or the "*pakyaw*" system. Use of the *pakyaw* also gives the planter sufficient excuse not to give his workers any of the other benefits such as retirement, death, or disability.

To make things worse, the is usually too much for a single person to accomplish in one day.

Pakyaw rates vary but there are certain geographic trends present. Wages are generally lower in the northern portion of Negros than in the southern and central Negros areas. This is generally because the haciendas in the north are generally unorganized (meaning not much unionism is present), it is far from urban centers, and private armies and AIG (Armed Independent Groups) still abound in the area.

The south is equally remote but as one sugar planter who requested anonymity said, "Well, the south is the stronghold of

the NPA. We have to pay relatively higher wages for our own safety."

In Hacienda Javelosa, 50 kilometers from Escalante town in Northern Negros, the workers alleged that they are still being paid four pesos a day, the same rate they were being paid 20 years ago in 1965.

For loading cut cane, ten tons of it into a truck, 60 pesos is paid. Since it takes six persons to finish the job in one day. The average pay is ten pesos per man.

For weeding, 180 pesos are paid per hectare. Gangs of 40 persons finish two hectares a day, meaning each worker only gets ₱8.50.

For plowing a hectare of cane-field, which a single plowman can accomplish in three days, the total pay is 18 pesos or six pesos a day.

For fertilizing, three sacks of fertilizer must be spread over a hectare of land, the pay averages 10 pesos a day.

For planting which involves pushing cane stems into the earth, ₱4.50 is paid per thousand planted. Average earning: ₱13.50.

For "*pamatdan*" which is preparing the cane sticks for planting, the pay is 34 pesos per 10,000. A person usually averages about 3,500 a day resulting in earnings of only ₱11.50 a day.

Such are the conditions on the haciendas of Negros and when the workers start protesting the military comes in.

Five firetrucks and 16 men armed with M-16s and machetes under the command of Lt. Alex Belonio of the Sagay INP forcibly dispersed the three-day old strike of protesting workers in Hacienda Luisita, Sagay, Negros Occidental.

Belonio demanded a municipal permit for the picketline. The workers said that they knew of no such municipal ordinance and furthermore they claimed that the strike was under the responsibility of the Ministry of Labor. "We have complied with all the requisites of the MOLE. The picketline is legal," declared Rodolfo Orquiza, local union president.

Belonio simply gave a five-minute warning and then water-cannons started blasting the picketline at 9:05, April 28, Sunday morning. The picketline was rocked by intermittent blasts

of the watercannons until 9:30 when the military men started hacking at the bamboo poles stretched across the hacienda gates.

When the strikers finally regrouped and re-established the picketline at 4 a.m. the next day, Belonio and seven other armed men destroyed the fences and arrested Orquiza. Orquiza was brought to the 334th PC headquarters. He was only released the next day when the picketers threatened to picket the PC headquarters.

It was only late in the afternoon of May 2 when the hacienda owner, finally agreed to all the workers' demands. The demands included implementation of Wage Orders, release of the Social Amelioration Fund and 13th month pay, rice subsidy, and vacation and sick leaves.

Yes, even in Negros, miracles still happen.

CSO: 4200/1071

PHILIPPINES

FISHING FLEETS HAMPERED BY 'IMPORT' DESIGNATION

Quezon City ANG PAIAYAGANG MALAYA in English 24 May 85 p 3

[Article by Benjie Guevarra]

[Text]

Philippine tuna fishers, already dislodged last year by the Thais as the world's top tuna exporters are further hampered by a government policy which classifies fish caught by local fleets outside Philippine waters as imports and imposes on them stringent import licensing regulations and stiff inspection fees.

This was disclosed by Victor Hizon, manager of MAR Fishing Co., currently the country's biggest tuna canning and exporting firm, and president of the Tuna Canners Association of the Philippines who said that this policy discourage big fishing corporations from venturing into foreign seas and thereby increasing the industry's catch both for export and for domestic fish canners.

Hizon said the

Philippine is the only country in the world which classifies fish caught in international waters as imports and hence subject to tediously-processed import licenses and exorbitant inspection fees which jack up fishing companies' already high operating costs.

Vessels fishing in foreign seas are considered flag ships of their countries of origin, so that whatever fish they catch belongs to that country and should not be classified as an import item, Hizon said.

It was learned that under the customs and tariff code, any fish caught outside Philippine waters is considered a "conditionally duty-free import item," so that even if it is exempted from import taxes, its entry into the country requires a license from the Bureau of Fisheries and Aquatic Resources and the payment of inspec-

tion fees, which is one per cent of the estimated gross value.

Hizon said the scarcity of tuna supply has forced his firm to embark on a fishing venture in Papua, New Guinea, where he had entered into an agreement to fish 5,000 metric tons of tuna this year.

"BFAR has frozen our application for an import permit which we filed last month," said the MAR official. He said the agency has yet to act on a permit application filed in June 1984.

At the prevailing market rate of \$600 a ton, MAR Co.'s contract volume in New Guinea has a potential value of \$3 million or P60 million. The inspection fee of BFAR if the fish were brought in will amount to P600,000.

In the absence of an indigenous fishing industry, New Guinea and Micronesia allow countries such as the United States, Japan, Taiwan, Thailand and Korea to fish in their waters upon payment of fishing fee.

CSO: 4200/1094

PHILIPPINES

CARTON HITS OPTIMISM OVER NEW LOANS

Quezon City ANG PAHAYAGANG MALAYA in English 23 May 85 p 4

[Text]



PHILIPPINES

TOBACCO PLANTERS 'RESTIVE' OVER PRESIDENTIAL 'INDIFFERENCE'

Quezon City ANC PAMAYAGANG MALAYA in English 20 May 85 pp 1, 8

[Article by Benjie Guevarra]

[Text]

SAN JUAN, Ilocos Sur. — Some 10,000 farmers will not plant Virginia leaf tobacco this year in protest against the failure of President Marcos to protect them from exploiters.

Ilocos Sur Gov. Luis "Chavit" Singson said the farmers are restive, feeling that the President, whom they consider their own, has been indifferent to their problems with exploitative tobacco manufacturers and exporters.

Singson expressed fear that if the farmers carry out their move, there will be tobacco crisis next year. He called for the ouster of top officials of the Philippine Virginia Tobacco Administration (PVTA) whom he charged are conniving with the tobacco firms to downgrade the farmers' produce.

The governor said PVTA field men who should monitor the government-imposed rates are actually colluding with traders hired by the tobacco companies, to force farmers to sell tobacco for as low as 50 per cent of real rates.

A powerful tobacco bloc led by Fortune Tobacco Corp. of business tycoon Lucio Tan is classifying class "A" Virginia leaf tobacco, which sells for P18 a kilo, to as low as class "L," or only P9 a kilo, Singson claimed.

At an average yield of 1.8 tons (1,800 kilograms) per hectare, the downgrading is robbing farmers as much as P16,000 per hectare.

"We have to stop planting tobacco for at least a year to teach these companies a lesson," Singson said, as he alleged the provincial government's plea to these firms have only fallen on deaf ears.

There are 19,000 Virginia leaf tobacco farmers in the province alone, half of whom will not plant tobacco this year to reduce production and cripple cigar and cigaret manufacturers and exporters, the governor said. The farmers will shift to other crops like yellow corn and cotton, he said.

We have to take this drastic action since even the President is apparently helpless in checking these company abuses said Singson.

When told that he may be reprimanded by the President for initiating this protest move, Singson said "we can't do otherwise, or else the farmers will go hungry."

Sources said this move could paralyze the tobacco industry since the province produces an average of 40 million kilograms of virginia tobacco yearly, or two-thirds of the country's total production of 53 million kgs. in 1984. The rest is produced in Ilocos Norte, Pangasinan, La Union and Abra.

Singson said PVTA administrator Federico Moreno announced two weeks ago that P100 million will be released to the trading centers in order to stabilize prices. But it seems that "the said fund was only released in the newspapers."

"Uneducated Ilocano farmers are being taken advantage of by these companies," charged Sangguniang Panlalawigan member Benjamin Escobar, President of the Tobacco Growers Association of Ilocos Sur.

Most of the farmers in the province are ready to join the protest move, claimed Escobar. He said he is being urged to launch a similar campaign in the rest of the tobacco region.

Aside from Fortune Tobacco Corp., Escobar identified the other companies belonging to this powerful trading clique, as, Golden Leaf, Orient and the Philippine Tobacco Procuring Corp.

PVTA agricultural extension officer Loreto Pena has confirmed the illicit practice, but added this is done directly in the farms and not in the trading centers, each of which is assigned one PVTA auditor.

"We cannot stop the traders," he said, since PD 1491 only authorizes us to monitor their activities in the trading centers itself.

CSO: 4200/1094

PHILIPPINES

COJUANGCO MOVES IN NEGROS POLITICS, SUGAR INDUSTRY

Quezon City ANG PARAYAGANG MALAYA in English 20 May 85 p 6

[Article by Edgar C. Cadagat: "Politics Beats Up in Negros"]

[Text]

These past few weeks, the Negros front was relatively quiet, except for the election of the Philsucom board which took place last Sunday at the PNB building in Bacolod City.

The election naturally drew the interest of sugar planters and concerned sectors nationwide, for the men who would hold the helm of the reorganized board would be the men who would spell the death or the resurrection of the beleaguered sugar industry.

The opposing camps were those of Philsucom chairman Roberto S. Benedicto and former congressman Armando Gustillo on one hand; and Charlie Ledesma, Eduardo Hernandez, Danilo Gamboa, and Gerry Rodriguez on the other. Ledesma is an in-law of Gustillo; his elder brother being married to Gustillo's sister.

Though keeping a low profile — on the advice of no less than President Marcos himself — the hand of Ambassador Eduardo Cojuangco was nevertheless very apparent. Two weeks before, he was in his house in Pontevedra talking to followers and guests. He was said to have opined that instead of being patched, Philsucom should be dismantled.

Sources close to the Cojuangco group said that Cojuangco's men are slowly establishing their presence in the province, as evidenced by the training said to be going on in Cojuangco's game fowl farm in the mountain areas in Ara-al, La Carlota. There, some 600 CHDF men are reportedly undergoing training by ex-paratroopers of the Israeli Army. Sources said these men may be part of what the Regional Unified Command in the province called the Specialized CHDF units being organized in the province.

Although it might be correct to say that the Cojuangco bloc possesses one of the most formidable economics and therefore political powers in the country today — this is slowly being duplicated in the province with the establishment of an economic base, the setting up of political

organizations and the creation of an armed force. It is still conceded here that the Benedicto-Gustillo tandem is still formidable insofar as decision making in the area of KBL traditional politics is concerned.

The withdrawal of the Cojuangco group from the election of the reorganized PHILSUCOM board was brought about, sources said, by President Marcos' personal intercession.

In spite of the economic crisis and the growing insurgency facing this troubled province, traditional politics still manages to rear its head.

The rumor mill says that it might be a four- or five-cornered fight in Bacolod City, the prize political plum among the cities in the province.

Reports say that Assemblyman Roberto Montelibano, the younger brother of Negros Occidental governor Alfredo Montelibano Jr., will be fielded by the Montelibano bloc. Bobby Montelibano may run as an independent KBL or as an opposition candidate depending on developments.

Other contenders will be Sangguniang Panglungsod member Rolando "Babes" Estrella, a protege of Armin Gustillo; LP stalwart Felix Amante and Amado Parreno Jr. and one from the Bagong Alyansang Makabayan. If it decides to field a candidate in the forthcoming local election, if it does, then the sure candidate will be former Bacolod City mayor Romeo Guanzon, a cousin-in-law of northern Negros strongman Armin Gustillo.

Guanzon is a frequent speaker in various rallies sponsored by cause-oriented groups and has consistently been echoing the "anti-US-Marcos dictatorship" line.

In the province, it will be a Gatuslao vs. Montelibano fight, a scenario which suggests it will be one hell of a big fight.

Assemblyman Antonio "Tony" Gatuslao is no mean force to reckon with, backed as he will be by Gustillo, aside from having a strong political base among constituents in the south. In Hinamayan town, only representatives of the Gatuslao clan have hold sway in local politics as far as people can remember. The present mayor of the town is an uncle of Assemblyman Tony Gatuslao.

The Montelibanos cannot be underestimated, but with north Negros solidly in the grasp of Armin Gustillo who is supporting Gatuslao, this has to be offset in Central and Southern Negros.

Cojuangco's support, in this regard, becomes a vital key in winning in the areas mentioned. His wife's family which has started to organize themselves is a political force to reckon with. His logistics could hold the balance of victory or defeat in the coming election for governor in Negros.

If it is, indeed, correct that an alliance has been forged between the old man Montelibano, a shrewd power player himself and Cojuangco, it could be said then that never has a power struggle been so intense in the province's history till now.

On the other hand, the Bagong Alyansang Makabayan (BAYAN) may sweep away the local municipal officials from power in the local election with their plan to field candidates in some selected areas. With their grassroots base, there is a strong possibility that it will capture a lot of local seats.

CSO: 4200/1094

PHILIPPINES

BRIEFS

NPA INFILTRATION TACTICS--Barangay captains throughout the country will receive instruction from the military on the infiltration tactics employed by the New People's Army. Deputy Minister for Civilian-Military Relations Carlos Cajelo said the information provided will help guide the barangay captains in the effort to halt incursions by dissidents. He said this program is in line with President Marcos' directive that local officials actively participate in the campaign against insurrections. [Text] [Manila Far East Broadcasting Company in Tagalog 1000 GMT 18 Jun 85]

FINANCE MISSION TO EUROPE--A five-man finance and revenue mission is leaving shortly for Western Europe. The mission will discuss with its foreign counterparts the implementation of tax treaties entered into by the Philippines with other countries. The panel, to be headed by Deputy Finance Minister Alfredo Pio de Roda Jr will first visit West Germany and France, with which the Philippines has existing tax treaties. From France, the mission will proceed to Italy and Spain to resume discussions on possible tax treaties with those two countries. [Text] [Quezon City Maharlika Broadcasting System in English 0700 GMT 25 Jun 85]

NEW COAL BLEND--The National Power Corporation [NPC] is experimenting with a blend of local and imported coal to reach the rate of 300 megawatt capacities for its coal-fired power plant in Calaca, Batangas. The plant, which started operations in September last year, cannot achieve its (rated) output because the coal supplied by the (Seneral) coal corporation has too much clay content. The [words indistinct] of the use of 70 percent local and 30 percent Australian coal to produce 275 megawatts can go through the Luzon power grid. The Calaca power plant uses 900,000 metric tons of coal annually to produce more than 1 million kilowatt hours. [Text] [Quezon City Maharlika Broadcasting System in English 0400 GMT 17 Jun 85]

CSO: 4200/1097

THAILAND

COLUMNIST VIEWS ANZUS CONTROVERSY, U.S. REACTION

Bangkok DAO SIAM in Thai 20 Feb 85 p 2

/Column: "Broken Allies"/

/Text/ Only yesterday I wrote about the tensions in ANZUS resulting from New Zealand's announcement of an antinuclear policy, which has made U.S. ships that would have landed there turn around with pale faces. /I also wrote/ about New Zealand's rejection of a request to have U.S. ships land during the military exercises of the three ANZUS allies.

The United States has already announced that it would hold military exercises in the ANZUS countries, which are Australia, New Zealand and the United States. This announcement has caused relations and military cooperation among the three allies to experience more tension than they already have. However, yesterday, Australia as a good reconcilier increased the pressure on the United States.

Considerably increasing the pressure is exactly what Australia /did when/ it announced the cancellation of its assistance to the United States in MX nuclear testing because the leader of Australia, Mr Bob Hawke, cannot take the opposition of his Labor Party and the public.

Australia's cancelling of assistance like this is also tantamount to increasing the crisis among the ANZUS members. Right now, Australian leaders are travelling to negotiate with officials in the United States about the present tensions in ANZUS.

Let us look at how Australia formerly helped the United States. It is said that Australia proposed a plan to have U.S. planes use its bases for 4 days during the MX nuclear arm testing. However, the Australians seem strongly opposed to this matter, so the country's leaders would not dare to do anything that is so much opposed.

This means that the United States was denied by both allies in two issues, so that it surely must review its relations with these two countries.

The prediction in ANZUS is that the United States will not dare to do anything hastily that would reach the stage of breaking relations.

Or even abolishing the ANZUS treaty, because it still perceives benefits in the Pacific area and wants to keep allies in this area.

The United States does not dare to let these allies run into the embrace of the watching Soviets.

This means that this matter must have good options, and not as drastic as cancelling ANZUS, either. New Zealand has policies that are filtered internally; similarly in Australia, decisions come from the people.

The United States is an external factor; it should accept that!

12587

CSO: 4207/181

THAILAND

COLUMNIST CONCERNED OVER U.S. BUILDUP, NOT SRV

Bangkok DAO SIAM in Thai 4 Apr 85 p 2

/Column: "Close Threat"/

/Text/ An annual report about the Soviet military buildup states that right now the Soviets are developing Cam Ranh Bay, which formerly belonged to the United States. It is the biggest permanent naval base ever built in Vietnam outside the Warsaw Treaty bloc.

The end of last year the Soviets sent 7 Badger aircraft to this base, which increased the squadron at the base to 24 aircraft and 10 aircraft with attack capabilities.

The report states that Badger aircraft have an operational range that enables the Soviets to expand their attack area not only in this region but also to the U.S. trust territories of Guam and Pacific islands.

In addition, this base has been improved to be capable of easily stationing permanent fighter aircraft, in particular, squadrons of the famous MiG-23.

These comments prove that the Soviets are giving tremendous assistance to Vietnam in order to use this base and that Vietnam depends on the Soviets to occupy Cambodia. As a matter of fact, they are interdependent in expanding their influence.

Vietnam alone is not that frightening because the state of its domestic economy is such that it can hardly support itself. Vietnam must rely on aid and must wage wars to look for more fertile land.

Cam Ranh Bay is very close to our country; consequently, the expansion of influence in this area will become constantly more violent.

While the United States is expanding its forces and setting up bases in the Philippines and the Pacific area, something is wrong in the relations between three countries, namely, the ANZUS treaty members, /the United States/, New Zealand and Australia. Consequently, the Soviets are exploiting this period to their fullest capacity to expand their forces.

The United States is startgint to adjust this time, which is a signal that the competition to expand influence will start to be spicy and hot again.

But the sad fact affecting the countries in this region is that they must receive all pressures caused by the competition for influence of those two superpowers.

We must wait and see the attitude of the United States and where it is going to choose to expand its military power.

Please don't let it be our country, that is all!

12587

CSO: 4207/181

THAILAND

COLUMNIST ON TEXTILE DISPUTE WITH UNITED STATES

Bangkok DAO SIAM in Thai 23 Feb 85 p 5

Text Since the government has been deteriorating and experiencing clothing export quota problems....

This has caused disputes between the minister of commerce and exporters up to the present....

Therefore,

I would like to bring up this problem for a little discussion because the Americans are getting involved with us about the textile issue.

The government has subsidized textiles, in particular, by reducing electricity prices so that Thai textiles can compete with foreign textiles and not lose.

Especially in cases where producers have already received LCs, the government is giving them the right to have "packing credits" with the Bank of Thailand by paying interest rates of only 7-8 percent.

But...

The government's assistance to textile industries had displeased U.S. textile labor unions. The unions have presented proposals to the U.S./ Ministry /Department/ of Commerce to issue laws controlling textiles imported from Thailand.

By increasing the import tax over that which the United States previously collected, the unions claim that....

Thailand is violating the law, namely, its government is subsidizing the issuance of cheaper LCs, including lowering costs of the water supply and electricity as special cases.

Which is against American laws which absolutely forbid the government from subsidizing textile manufacturers, which is unfair to all merchants.

For these reasons....

The unions have filed a proposal with their Ministry /Department/ of Commerce to have the American Government investigate whether Thailand has done such things.

If it is true,

the unions have suggested that their government increase the tax by 6.5 percent on all imported textiles and clothing commodities goods from Thailand.

That is not all; it is known that textile labor unions have also attached a letter to insist that...

...if Thailand refuses to have an investigation concerning this issue, then /the matter/ would reach the stage where the United States Congress must pass the law that they have requested, that the Thai Government impose a 6.5 percent higher export tax on textiles exported to the United States. These regulations also must include European countries.

Yes sir, after you read everything /that I have/ written today, you must be confused and skeptical and not understand the nature of the monster of the United States that is doing such things to a tiny country like Thailand.

It is perceived clearly from these problems that Thailand's textile products and clothing commodities have the workmanship favored by the Americans and are increasingly preferred Thai products...

...that U.S. textile labor unions must struggle to their utmost for survival.

But what is to be criticized is that when they know that they cannot win by quality and price, they use other methods, namely, to reduce their production costs and to reduce selling prices closer to that of merchandise from Thailand; then they can compete.

But...

They turn around and use their congress to pass laws that squeeze Thai products. It is too much bullying.

Worse, they also want that crazy law to impact on and control the exports of our products to European countries, also. This is an incorrect move.

This abuses too much the spirit of a tiny country that has no way to fight back.

For only a mini volume of merchandise they do this to Thailand; /when it is/ like this, how can we be associated with them?

When we think about it, we feel hurt. They are a big, giant country; we are a small country, with the light of a firefly.

They hold our lives in their hands: if they squeeze, we die; if they let go, we survive.

Therefore...

I would like to entrust this problem to the government; before flying off to sign an agreement with the United States, please think it over carefully.

If not, Thai textiles, including Thai clothing commodities, will die for sure.

Because the United States will impose a 6.5 percent tax higher import tax than formerly, which is too cruel a method.

Please think it over; if you do not want to see unemployed people go crazy, then do not give in to them easily; that is all.

12587

CSO: 4206/181

THAILAND

COLUMNIST SEES PROBLEMS IN SOUTH OVER NAME CHANGES

Bangkok BANGKOK POST in English 10 Jun 85 p 4

[Article by Surin Pitsuwan]

[Text]

CONFLICTS are percolating once again in the deep South where over one million Malay-Muslims are struggling to retain their cultural and religious identity within the shadow of the Thai political umbrella. In that border area, including the four provinces of Pattani, Yala, Narathiwat and Satun, ample socio-economic issues tend to take on complicated political trappings nurtured by a complex system of Islamic religious symbolisms.

This time around the Malay-Muslim community in the South is being jolted by a series of policy pronouncements by high government officials directly involved with the administration of the border area. The first issue has to do with the multi-agency project of population development funded by the United Nations Fund for Population Activities (UNFPA). In Yala recently, the Prince of Songkhla University, Pattani Campus, one of the responsible agencies, sponsored a seminar entitled "Population Development and the Quality of Life."

Well-known scholars, medical doctors, Muslim religious and community leaders were invited to contribute their ideas. The subject was innocent enough, but the contents apparently upset many participants and rumours leaked out to the Malay community creating worrisome tensions in the area. The people apparently feel that 'development and quality of life' were only semantic ploys for 'population control.'

The controversy sent shock waves all the way to Bangkok, and most

probably across the border into Malaysia, where it assumed larger than real life proportions during this holy month of Ramadan, the fasting and emotion-filled period of the Muslim calendar. How this issue will develop is still unclear, but one can surmise that it will have immediate negative repercussions upon various government development projects in the area. From now on 'development' and 'quality of life' will be associated with 'bad faith' and 'control' by most people in the southern border area.

The second issue centres around the Ministry of Education's symbolic campaign to raise religious and ethical standards among the nation's youth by installing Buddha images in all primary schools around the country. Deputy Education Minister Samphan Thongamak (Democrat-Nakorn Si Thammarat), who is responsible for this campaign, probably did not make it clear to his zealous bureaucrats in the Muslim predominated area of the South that they should exercise prudence and moderation in conducting the campaign in the Muslim predominated area.

Apparently, the Primary Education Officer of Sai Buri District, Pattani, has put out an order stipulating that by the end of 1985, all primary schools in his district must have large Buddha images installed, despite the majority of students being Muslims. The bureaucrats appear oblivious of the fact that it had taken decades to convince the Malay-Muslims to send their children to government schools for fear of this very kind of insensitivity and inconsideration.

Deputy Minister Samphan, himself from a southern province with a large Muslim constituency, will have to do a lot of soul-searching before this controversy is over as it is most likely to drive the Malay-Muslims students out of government schools in the deep South.

But the most serious divisive issue in the southern border provinces these days involves an alleged policy formulated by the Centre for the Administration of the Border Provinces, Ministry of Interior, Pattani's Muang District Officer, Thakerngak Patano, conceived of an idea to change all the Malay-Muslim names of students to Thai names "in accordance with the centre's policy."

Waves of bitter verbal protests are now being heard all the way down to Indonesia that a period of religious persecution has once again arrived in southern Thailand. Apparently the bureaucrats are still ignorant of the fact that for Muslims, their names are the essential parts of their religious identity. These names are not "Malay names" as the bureaucrats claim them to be. They are Arabic names, as all Muslim names tend to be. Their meanings are most often associated with the ideas and ideals entertained by the Islamic religion itself. They may be "archaic Arabic forms" common among the Malays of southern Thailand, but by no means are they "Malay" and therefore could easily be changed to Thai. For that would constitute, in their estimation, a change of their religious identity.

The bureaucrats in the South are using threats saying that without

Thai names, the Malay-Muslims may experience "inconveniences" in their dealing with the government bureaucracy. Their rights and privileges as Thai citizens may be adversely affected because of the misspelling of their personal and family names by bureaucrats, who are not experts in Malay. The bureaucrats apparently want their own convenience, too.

But the Malay-Muslims see this as a direct assault on their constitutional right guaranteed by the principle of freedom of religion. The *Chularajamontri*, the spiritual head of the Muslim community in Thailand, was stirred to voice his protest that "all Muslim names, whether for institutions or individuals, are in Arabic and are not in conflict with the law. It is guaranteed by Article 25 of the Constitution regarding freedom of religion." The *Chularajamontri*, Prasert Mahamad, threatens to "paddle against the stream" if the Government is determined to push this policy of name change among the Malay-Muslims in the South.

On the political front, the Association of Southern Thai Muslims, led by a former Narathiwat Member of Parliament, Wachira Marchabutr, has lodged a protest to the Government through Deputy Prime Minister Bhichai Rattakul, stating its position on the policy and requesting Prime Minister Prem Tinsulanonda clarify the matter.

Specifically Gen Prem is being asked to disassociate his Government from the name change policy, or, if it is the policy of the central government, confirm it. In the deep South, the Federation of Muslim Government Officials has also issued a statement claiming that the name change policy is unconstitutional and should

be disowned by the Government.

There are two opposing trends in the South today. The bureaucracy is pushing for conformity with the mainstream population in all aspects among the Malay-Muslims and the people themselves are struggling to maintain their unique identity nurtured by a complex religio-cultural set of values and symbols.

At the root of political conflicts and armed violence between the state security officials and the Malay-Muslim dissidents at present is the differences in cosmological structures of their two distinct religions. More and more the conflicts are being reflected in the clashes of religious symbols, such as the installation of Buddha images and the policy of names change pursued by bureaucrats in the area. At one level, these conflicts appear to be superficial and unimportant. At another level, they are the indications of deeper and more fundamental conflicts inherent within the two opposing communities.

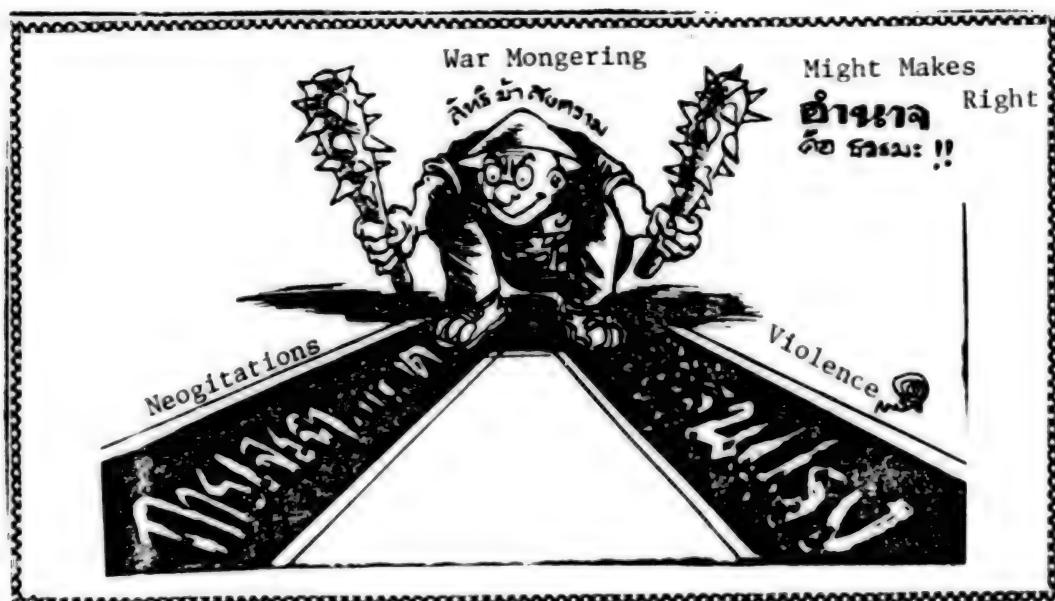
The problem could become explosive, threatening the security of the state itself. It cannot be ignored. At the same time, it should be treated with the utmost care and sensitivity. Honesty, in this case, as in all cases, is the best policy. Respect breeds respect. Social peace and political security can only come about when all elements of our society are given due respect and full freedom to fulfil their communal aspirations within the frame of the law. Social justice, economic equality and political freedom should be the binding forces of our society. Not force alone.

Our bureaucrats and security officials should learn to appreciate the aesthetic values of religious and ethnic difference. A mosaic of multi-coloured elements is definitely more interesting to behold than a monochrome canvas.

THAILAND

CARTOON SCORES SRV MILITARISM

Bangkok DAO SIAM in Thai 1 Mar 85 p 5



12587
CSO: 4207/181

THAILAND

BOT GOVERNOR ON SIAM CITY BANK PROBLEMS

Bangkok THE NATION REVIEW in English 6 Jun 85 p 25

[Interview with Kamchorn Sathirakul, Bank of Thailand governor]

[Text] A few hours after Boonchu Rojanestien unleashed sweeping attacks on the Bank of Thailand over his conflict with the Mahadumrongkuls at the Siam City Bank in a packed press conference on Tuesday, Bank of Thailand Governor Kamchorn Sathirakul granted an exclusive interview with THE NATION's Business Desk. For the first time, he gave a detailed explanation of how he looks at the problem. Here are excerpts from the interview.

CENTRAL BANK Governor Kamchorn Sathirakul insists that the Bank of Thailand has been following the problems at Siam City Bank closely, rejecting charges by former chairman Boonchu Rojanastien that he had ignored the conflicts there.

"The Siam City Bank started off as a agent system. Afterwards, it became a branch system. At that time, Mr Visit Srisomboon was the chief executive. Problems at Siam City Bank had piled up until the new management took over at the end of 1982 by the groups of Mr Boonchu Rojanastien and the Mahadumrongkuls..." he said.

Kamchorn said that the main problems at the bank were credits which were given to customers without quality. "But such loss was a normal thing in the commercial banking system," he said.

He said when the new management team took over, the Bank of Thailand, following normal procedures, conducted a general audit of the bank's performance. The outcome of the checking was reported to the bank.

"After that, the central bank kept up regular monitoring. And we continue to do that now. Once some defects were found, the central bank pointed them out and pressured for changes for the better. Sometimes, some problems surfaced out of business practices beyond control..." he said.

Kamchorn said the central bank did inform Boonchu at the time to join hand with the new management team to take corrective action, which was duly taken. "And a five-year plan was submitted. The central bank believes that the new management team must be given a chance and it would be in line with our policy if the plan could be implemented," he said.

The five-year plan, the central bank governor said, had the

main thrust in mobilization of deposits and lending to enable the bank to make sufficient earnings to cover the problem areas. At the same time, the management was also to take legal action to seek repayment of old debts.

Kamchorn added: "We looked at the five-year plan carefully to determine whether it was too ambitious or under the desirable target. We thought even if 80% of the target set was achieved, that would have been good. The plan, however, must follow the basic condition laid down by the central bank — and that was to increase the capital by another 1,000 million baht, with 350 million baht in the first year and 200 million baht each the following year until the target is met."

The central bank governor said that the plan was complied with, as far as the Bank of Thailand's follow-up action was concerned. Deposits rose by a rate close to the estimate set. The overall picture and performance of the bank also

improved and lending was carried out with better planning, he said.

"When the standing of the bank improved, and the management showed encouraging signs, the central bank allowed the capital increase of 200 million baht until the end of this year, not to have to do it overnight," Kamchorn said.

Then, the conflict between Boonchu and Mahadumrongkuls started. "We kept a close watch on the conflicts at the bank to determine whether there was any impact. We also kept a close watch on public reactions. But we noted that deposits were still on the rise and the operations were improving as well. The improvement plan, whether it was drawn up by Khun Boonchu or the Mahadumrongkuls, must be considered joint efforts," the central bank governor said.

He said when both parties began to collide, he offered the advice that if both sides were to seek the central bank's representative to join in the management, I would nominate somebody — but permission from the finance minister must be sought.

"The Banking Act doesn't automatically allow the Bank of Thailand to step in to replace executives even in the wake of conflicts. Once a conflict arises, it's difficult to rule on who's right and who's wrong. And in this case, there was still no valid reason for the central bank to step in to impose official control," he maintained.

But Kamchorn insisted that the central bank had not been negligent over the problems at Siam City Bank. "We, like all other central banks, must oversee the banking system and create stability for the banks," he said.

Asked how the central bank could step in to resolve the situation, Kamchorn said: "We ordered the bank to increase the capital. We followed up and

press them to follow this policy. We also raised the issue of management changes. And on management changes, Khun Boonchu had the capability to do it. We on our part insisted on the orders we gave to the bank, whether or not one would label the plan being Khun Boonchu's or not."

Asked about allegations made by Boonchu that the central bank had not taken action over the financial statements of Siam City Bank, the central governor replied: "According to the proper procedures, the books must first be audited by certified auditors. Then, they are reviewed by the Bank of Thailand. If we found something wrong, we would point it out. On debts, we want the bank to classify bad debts clearly. Although some banks may dress up some figures, we try to go deep into each item. But if we wiped out the bad debts altogether at the same time, the public may be shocked. Under the law, we are empowered to write off bad debts in two to three years under the conditions that the problems must be resolved..."

Kamchorn said that under the management of Boonchu and the Mahadumrongkuls, the trend was improving. "It would have been better if there had been no conflict. The bank's potential looks good. It could jack up its earnings. And the five-year plan would offer the bank a very good opportunity to resolve some of the problems. Previously, there were no dividends paid to shareholders. But once the capital increase was effected and the performance improved, the shareholders deserve something in return."

The central bank governor added: "Even with the new chairman, Mr Chalerm Chiew-sakul, the Bank of Thailand won't be less stringent with our regulations and control over the Siam City Bank, mind you..."

THAILAND

SITTHI HOPES SOUTH KOREA WILL BUY MORE, ENTER JOINT VENTURES

Bangkok THE NATION REVIEW in English 10 Jun 85 p 25

[Text]

FOREIGN Minister Siddhi Savetsila will fly to South Korea today where he will urge Seoul to buy more Thai crops and invite Korean investment in agro-based industry, ship-building, electronic and certain textile industry in the Eastern Seaboard Programme during his three-day official visit there, informed sources told *The Nation* over the weekend.

Siddhi will be accompanied by a group of about 20 businessmen representing the Association of Thai Industry, the Board of Trade (BoT), Thai Bankers Association, Thai-Korean Chamber of Commerce, Sorghum Traders Association and Maize Traders Association. The TBA's representative on the mission is Kan Prachuabmoh.

The Thai delegation will make it plain to South Korean leaders that there is a need for Thailand to reduce the trade deficit totalling about three billion baht last year with South Korea. The crops that Thailand seeks to sell more to South Korea are sorghum, maize, beans, rubber and tapioca, according to the sources.

The Thai delegates will discuss ways and means of removing obstacles to exports of Thai goods into newly-industrialized country. Korean

importers are subject to quota system and exporters of goods into the country usually have to contest in bidding called by the Korean importers. The Thai delegation will seek to stress the Thai preference for direct sales instead of going through bidding, according to the sources.

The Thai team will also seek cooperation from South Korean firms in various countries by asking them to help sell Thai goods to third countries as a measure to reduce the trade deficit facing Thailand.

The proposal has been forwarded at a low level and the Thai delegation is expected to consult with the Korean leadership over problems obstructing the implementation of the proposal.

"We will listen to their problems in this regard and try to work out ways and means of putting it into effect," one source said.

The Thai delegation will also propose Thai-South Korea cooperation in implementing projects in third countries. An idea on the Thai mind is for Korean construction companies to employ Thai workers for projects in third countries.

The probability of launching the cooperation deal hinges on the fact that Thai labour is cheaper than Korean labour.

On Korean investment here, the sources said the proposal of increasing South Korean investment here appears promis-

ing because the economies of the two countries are "complementary to each other."

The areas where Korean entrepreneurs may consider attractive for investment include agro-based industry. "South Korean has the technical know-how and capital while we have raw material," one source said. The sources cited the starch industry, the production of sugar base, tapioca base, maize base as the prospective fields for South Korean investment.

The South Koreans will also be invited to join the investment for the construction of the infrastructure under the Eastern Seaboard Programme. The country may also seek joint ventures in shipbuilding, electronics and certain textile industries, according to the sources.

"The projects under the Eastern Seaboard Programme are open to international bidding and every country interested in it is welcome," an informed source said.

On the other hand, the South Korean leadership is expected to raise the following subjects:

- South Korea is interested in the concept of Pacific cooperation. If raised, the Thai delegation will discuss the issue in a general context. South Korean participation in the human development project for countries in Pacific region, approved by the ASEAN min-

isterial meeting in Jakarta last year, is welcome.

• The obstacles to South Korean investment here will be discussed. South Korea has never won in a bidding here. The question will be jointly examined and the Thai delegation will see how to help solve the problem.

• The difficulties for South Korean businessmen and people in obtaining residence permits may also be broached during the three-day official visit.

Siddhi will pay courtesy calls on President Chun Doo Hwan, Prime Minister Lho Shin Yong, and has a meeting with Foreign Minister Lee Won Kwung tomorrow.

On Wednesday, he will visit an electronic factory and meet with Thai businessmen who accompany him. The private-sector team will hold joint and separate sessions with the Korean counterparts and ACM Siddhi is said to be very interested in keeping abreast of the results of their talks. Siddhi will also be accompanied by Director General of the External Trade Dana Tulalamba.

CSO: 4200/1111

THAILAND

STEPS IN BECOMING A FOREIGN SERVICE OFFICER

Bangkok THE NATION REVIEW in English 10 Jun 85 p 5

[Article by Kavi Chongkittavorn]

[Text]

THE Foreign Service has long been one of the most sought-after fields of occupation and over the past few years it has attracted this country's elite young men and women aspiring for challenging jobs and assignments overseas with their ultimate goal being the hope of becoming a Thai ambassador.

A preliminary step towards realizing that dream of becoming a career diplomat was the more than 1,500 applications that flooded the Foreign Ministry last week, the first week of a month-long hunt for promising young service officials. This number will swell to a figure exceeding 5,000 by the July 5 deadline, predicted Director of the Personnel & Training Division, Vidhya Yaranonda.

Vidhya said that the reason for the extended recruitment period is to give every opportunity for eligible candidates who wish to enter the Foreign Service from all parts of Thailand. Resident Thai citizens in foreign countries can also submit their applications through Thai embassies and consular offices, but they must at a later date sit for the examination in Bangkok.

"We want to encourage young graduates to serve our country, especially those fresh from the universities. A good number of them will leave for foreign countries to further their education without exploring new and challenging possibilities at home.

At the Foreign Ministry, young recruited officials have a very good opportunity to study abroad and receive language training. We have a large number of scholarships," Vidhya said.

Those scholarships, however, are certainly not easy to come by. For young candidates must run the obstacle course of a series of gruelling tests which include testing interviews and a two-day group seminar conducted in a remote location before final acceptance by the ministry. "Our standards are extremely high. And our staff is highly competent. It is truly a survival of the fittest," he emphasised.

There are good reasons for this. It was in 1983 that the ministry chose to disregard the official examination set by the Civil Service Examination Board. For the first time, applicants were tested under a new format of a series of examinations devised by senior officials at the ministry. The new approach side-tracked traditional subjects such as Thai language and grammar aptitude. Also relegated to limbo was the system of alternative choice of answers to questions (e.g. one out of four).

The new examination has a thoroughly practical basis and is geared to changing times. It is divided into three parts: — general knowledge, knowledge of diplomacy and knowledge of a foreign language. In the past, English and French were the only

choices for a foreign language proficiency test. Today that canvas has been broadened to include such languages as German, Spanish, Japanese and Chinese in what is a highly modern exercise.

"Of course, our working language is English," Vidhya is quick to explain. "As a diplomat, a foreign language or two is a sine qua non. And with the increasing significance of Oriental languages such as Japanese and Chinese, we have candidates every year who have acquired an extremely high proficiency in these languages," the director said, adding that it would not be long before Russian and Arabic would be added to the curriculum.

Besides language, prospective candidates will also face a general knowledge test including subjects ranging from interpretation of the Thai Constitution to interest loans granted by commercial banks and to the sometimes controversial relations between the Foreign Ministry and the armed forces.

The director stressed the importance of an understanding and knowledge of international relations in all its facets. A test is designed to find out students' observations and knowledge of world affairs and some of the basic principles governing this field — economics, law and organization, among others. "We want to see how each applicant tackles questions relating to these principles, and what their own assessments are. Some can be very specific,

while others could be broader in scope and highly thought-provoking. And our aim is to get young people with the broadest possible vision and perspectives," he said.

More than 4,000 young aspirants — 60% of them female — took the written examination last year. Only 80 passed the test. This number was not final, however. For when the time came for the 'Viva Voce' test, it was reduced by another half. The 'Viva' itself was conducted by a panel of experienced senior Foreign Ministry officials at the level of directors-general.

"There was no mercy. They are out to get you," said a young Foreign Ministry official who passed the demanding test last year.

In other government ministries, those who successfully clear the interview hurdle, will earn selection. Sorry, not so at Saranrom Palace. The 40 candidates must go through another two-day session of a mock seminar, the so-called "make or break session."

It is a real life set-up, that could have happened any day at the ministry, including everything, with every "you" or "me" observed to the last "I". At the seminar, the young candidates aged between 23-30 are put thoroughly at ease: will joke, eat, engage in discussions; write reports on world problems and how to rebut serious foreign charges and a host of other typical situations.

"We are interested in seeing these people at work under real, front-line pressure and how they measure up to each different situation in normal conditions or under severe pressure," related a senior official who has attended these sessions on the last two occasions.

The end of the seminar sees a further falling away of those who do not quite make the grade, and only a scant 20 or so will be left for further training. For these latter, the acid test is over. They are ready to start their career in the ministry, with a six-month proba-

tion period. "So far, no one has been asked to leave yet," said a young official who passed the probation and received a two-level promotion in the previous year.

"If you negotiate all these searching tests successfully," Vidhya commented, "it is by no means a fluke. You have deserved every bit of your success." And it is a most interesting statistic that in any given year, the chances are that the ratio of women to men in the final analysis will be 2:3.

All these changes and the motivations behind them were the brainchild of the Permanent Secretary for Foreign Affairs, Asa Sarasin, who once told this reporter that the ministry must acquire none but the highest quality of young men and women to represent Thailand. He said only skillful diplomacy, presenting Thailand as it is and what it stands for, can protect its vital national interests and commitment to the Free World, especially in an era when Thailand is endeavouring to be a bridge between the East and West, North and South.

Today, serving the country to the best of their abilities with the knowledge they acquire has become the cornerstone of the objective of making the Foreign Service a lifetime career. And this is aptly reflected in the application form which has a question asking the applicant the reason for wanting to join the ministry. Most young applicants, however, do have their own dreams.

"This is the place where I can utilize to the fullest every bit of my ability," Premchit Hemarat, 21, a graduate of Bangkok University, said. She added that Saranrom is a place where the versatile could express their talents to the maximum extent.

For some, ambition has given way to a sense of security. Suraphon Komumanonda, also 21, from Ramkhamhaeng University, is of opinion that the Foreign Service is very secure and permanent. "The Foreign Ministry has no specific badge or line," he muses, adding, "if you are good at

your job, you'll get promotion."

For several who have been through the examination twice or thrice, their dreams do not appear to have faded away. "I always wanted to join the ministry, talk to foreign leaders, as nobody in my family has worked in foreign countries. If I fail again this time, I shall try again, even though I already have an eye on another profession," said a determined 27-year-old young man, who wished to remain anonymous.

The recruitment by the Foreign Ministry does not end there, and it is not necessarily the case that when some candidates do not pass the final test, they would not be fit for other careers. An informed source told *The Nation* that several well-established companies have asked the ministry for a list of the first few dozen names for interviews. "Some companies also lack the means to recruit young people with meaningful potential. It is here where the cream gather and compete," the source said.

In the changing world of modern international diplomacy, the old adage of an Ambassador being "one who lies abroad for the good of his country" might not be universally true. Thailand today has come a long way towards raising its status in the eyes of the international community at large, particularly with its elevation to the United Nations Security Council as a member. And this new dimension entails a new and progressive look at the future that has not been altogether lost on those at the top in Saranrom.

The country's outlook has undergone a vast change, a change that requires almost instant adaptation to ever fluctuating circumstances. And it goes without saying that in the calibre of a select band of men and women in the Foreign Ministry must be reflected the optimism, the foresight and the wise judgement, not to mention the alertness and awareness, of a nation trying to live up to the high standards which Thailand has set for herself in the years to come.

THAILAND

VILLAGE LIFE UNDER INFLUENCE OF SUA, BCP NOTED

Bangkok BANGKOK POST in English 2 Jun 85 p 17

[Article by Subin Khuenkaew]

[Text]

IT MAY surprise people that a school can exist on Doi Lang which has often been the scene of fighting between the Burmese Communist Party (BCP) and the Shan United Army (SUA).

The school is situated close to the Burmese border on the mountain about 800 metres above sea level in Mae Ai District of Chiang Mai Province. Ban Pang Tom Dua School was opened in 1977 and consists of three one-storey wooden buildings, one of which is jointly used as a teachers room, a canteen and for conferences.

It has 130 primary students enrolled in Pathom one to Pathom six levels. All the students live in villages close to the school and nine teachers houses are situated about one kilometre away in Pang Tom Dua village.

Although the school is only 13 kilometres from the town of Mae Ai it takes about three hours to reach by pick-up truck on a road which is similar to a cart track in the rainy season. In the summer and the cool season it can be reached in an hour.

The school is administered by the Chiang Mai Provincial Primary Education Office and is specifically for children living in Pang Ton Dua, alias Ban Doi Lang Fang Thai, Pang Ton Khong, Pang Ton Kae, Pang Ton Kor, Pang Saen Khrue and Ban Pang Lai Ai villages.

As the school is on the peak of the mountain it is possible to look down into Burma and see an SUA camp with soldiers walking around it. The road leading to the school demarcates the border with Burma to the North.

During my recent visit, five of the

teachers were supervising as their students played football and volleyball when I arrived.

Veerasak Athapairoj, 30 who is assistant principal said his father was a Chinese Haw. He added that he had been born on the mountain and was trying to live and work there despite frequent fighting between the BCP and the SUA, or sometimes between Thai rangers and the SUA.

"On many occasions stray bullets have hit the school buildings and students have to take cover in the shelter. When the gunfire stops we have to check that the fighting has really stopped. Sometimes we have to sent students home," he said.

"Earlier in the year fierce fighting erupted between the BCP and the SUA and we had to ask the provincial authorities for permission to temporarily close the school because we were worried that students and teachers might be harmed. Parents of students approved of the closure plan in a vote and the students made up for lost time by studying at weekends."

Veerasak mentioned some of the problems he regularly encounters at work. "I have to try not to take sides. Whenever I meet SUA men I have to greet them cordially although they scare me. Similarly when they ask for food and medical supplies we have to give them what they want," he said.

This has led to Veerasak being interrogated by provincial officials on two occasions because they suspected him of being an SUA sympathiser. "It's difficult to please both sides (the SUA and Thai officials) at

the same time," he said.

Because of the school's proximity to SUA bases, teachers are aware of at least some of the Burmese rebels' movements. However, if teachers reported the information to the authorities they would almost certainly be involving themselves in danger.

However, Veerasak said he didn't care what other people think about him because he has only been trying to protect the students and teachers from harm and does not want to have to leave the area himself.

Teachers are able to return home once a year during the school holidays. Some of them are from Chom Thong District and Mae Taeng District of Chiang Mai and others come from Suphanburi Province.

He said that a teacher's life on Doi Lang is different from elsewhere. "I still remember an incident at the beginning of last year when four village defence volunteers were killed in a hand grenade explosion when chasing after a Lahu hilltribesman who had come to rob the village."

Verasak escaped injury as he did not join the search party until later. Teachers are also village defence volunteers.

Teachers also provide villagers with medicine if any of them fall ill as the school receives medicine from the provincial authorities. While female teachers sometimes have to help with births as midwives, their male counterparts need to know how to use weapons to defend the community they serve.

Some of the villagers on the slopes of Doi Lang grow tea while others work as traders, crossing the border to get to two markets which operate in the SUA village from 8 a.m. until 6 p.m.

The Doi Lang environment is not suitable for rice cultivation and all food and consumer goods have to be transported from Mae Ai District.

At present there are about 200 families living on the mountain, most of them Thai, but with a few Lahu hilltribes people and Thai Yai.

CSO: 4200/1111

THAILAND

TANTALUM PRODUCTION, USE

Bangkok THE NATION REVIEW in English 6 Jun 85 p 25

[Text] THAILAND Smelting and Refining Co Ltd (Thaisarco) and Thailand Tantalum Industry Corporation Ltd (TTIC) signed an agreement on 31st May 1985 covering the supply of high-grade tantalum slags produced by Thaisarco to TTIC for use in their processing plant, presently under construction in Phuket.

The agreement will ensure that the bulk of Thaisarco's output, previously processed abroad and constituting up to 40% of world demand will be processed in future in Thailand. Supplies of tantalum slags from Thaisarco to TTIC will commence in July this year.

Both companies expressed their considerable satisfaction with the agreement which they see as

an expression of their confidence in the future of the metals processing industry in Southern Thailand.

Tantalum is a key material for the manufacture of high performance capacitors for the electronics industry and for the production of high-quality cutting tools for the engineering industry.

Present at the signing ceremony were (from left): Dr J.R. Lay, managing director of Thaisarco; Mr Yoot Eamsa-ard, commercial manager, Thaisarco; Mr B.A. Coe, chairman of Shell Companies in Thailand; Mr Pong Sarasin, chairman of the Board, TTIC; Mr Arwin Kongsiri, executive director, TTIC; Mr Yeap Soon Sit, chairman of executive committee, TTIC.

CSO: 4200/1111

10 July 1985

THAILAND

BRIEFS

ARGENTINE ENVOY'S FAREWELL CALL--Argentine Ambassador to Thailand (Mieheul Z. Matini), accompanied by Thawiphan Singha, director general of the Foreign Ministry's Protocol Department, paid a farewell call on Prime Minister Gen Prem Tinsulanon at Government House on 4 June on the occasion of completing his term here. /Summary/ Bangkok Domestic Service in Thai 1300 GMT 4 Jun 85/

WHITE PAPER 'LEAK' ASSAILED--Speaking to reporters at Government House this afternoon, secretary to the government spokesman Kittisak Churak said that the white paper /on trade with Japan/ was a confidential government document. However, it was published by a newspaper today before it was forwarded for discussion at the council of economic ministers meeting. He said that this is not the first time that such a very confidential document has been leaked to the public. The leakage of confidential and secret government documents sometimes causes problems for it in implementing its policies and is detrimental to its bargaining power in dealing with other countries, which is a great loss to the country as a whole. The agencies concerned should investigate and present the culprits for punishment. /Text/ Bangkok Domestic Service in Thai 1300 GMT 17 Jun 85/

NEW TOWNS FOR VILLAGERS--Exclusive for this week concerns the Thai-Lao border issue: Thailand has set up three new villages--village nos 7, 8 and 9 in Ban Khok Subdistrict--to take the people who volunteer to remain on the Thai side of the border; these number as many as 1,100 families. Meanwhile, Thailand is maintaining the ranger forces in the three disputed villages. This step constitutes a victory both militarily and politically. /Text/ Bangkok WIWAT in Thai 28 May-3 Jun 85 p 7/

RESULTS OF MEKONG COMMITTEES--The meeting of the Committee on Lower Mekong Development Projects was held on 11 June under the chairmanship of Deputy Prime Minister Phichai Rattakun. The meeting discussed the cancellation of the 21st meeting of the Interim Committee for the Coordination and Investigation of the Lower Mekong Basin scheduled to be held in Hanoi from 9 to 16 January due to Thailand's failure to attend the meeting. The Lower Mekong Executive Office contacted representatives in Thailand, Laos and Vietnam for consultation about future meeting of the development committees and to plan for the 21st meeting of the Interim Committee. An informal meeting is thus scheduled to be held in Bangkok on 17 June. In addition, the committee acknowledged the result of the meeting on 24-25 December 1984 between Thai and Lao officials during which the two sides agreed that sand dredging in the Mekong river must be carried out

annually between January and May. This is because water in the Mekong river between Nong Khai Province and Tha Naleng wharf is at its lowest level producing sand bars during that period every year. The sand dredging is needed to facilitate transportation of goods between the Thai and Lao banks. A detailed hydrology and hydrography survey will be carried out before each dredging in the Mekong River. /Text/ /Bangkok Voice of Free Asia in Thai 1030 GMT 13 Jun 85/

SEPARATIST ADVOCATES SENTENCED--On 7 March, a military court (a criminal court) ruled on the case between the Bangkok public prosecutor, the plaintiff, and Mr Samak Awaemaseng (1), Mr Awae Useng Hayi Chaywae (2), Mr Lo-Aree Samo /3/, Mr Baraheng Kulalo /4/, Mr Cheaw Kadechamae /5/, and Mr Asae Bunyo Rayo /6/, the defendants. /The defendants were/ charged with being secret agents that distributed documents to cause turmoil among people at Ramkamhaeng University. They are members of the BRN terrorist gang /which seeks to/ separate off three provinces in the south. On 30 March 1982, they brought explosives and set them off at the international fair in Houa Mak, Bangkok. The prosecutor requested the court to sentence these defendants in accordance with the law. The defendants pleaded not guilty and wanted to fight the charge. The court analyzed the case and listened to the testimonies of defendants 1 and 2, found them guilty as charged and sentenced them to 5 years in prison. The testimonies of the other three defendants /3, 4, 5/ during questioning were useful in considering their appeals and reduced their punishments; each was sentenced to imprisonment for 3 years and 4 months. As for last defendant, the charge was lifted because of insufficient evidence for punishment. /Excerpt/ /Bangkok DAO SIAM 8 Mar 85 pp 1, 2/ 12587

CSO: 4207/181

PEOPLE'S REPUBLIC OF KAMPUCHEA

SPK CITES TASS ON ASEAN SUPPORT FOR DK FORCES

BK180554 Phnom Penh SPK in English 1102 GMT 17 Jun 85

/Text/ The United States is seeking to involve the ASEAN countries in a new campaign started by Washington over the "Kampuchean question," says the Soviet news Agency TASS in a recent commentary.

Under Washington's pressure, TASS goes on, the ASEAN countries gave their consent to send representative delegations to Africa and Latin America on the eve of the next session of the UN General Assembly to seek support for a course of aggravating the situation around Kampuchea and exploiting the UN mechanism to intervene in the internal affairs of the People's Republic of Kampuchea.

So the "Kampuchean question," the fanning up of which is orchestrated by Washington, is actually the question of ways to return the Pol Pot men and other reactionaries to Kampuchea. Indeed, the motley anti-Kampuchean "coalition" was actually put together by foreign powers and is nothing short of a front for the piratical actions of the Pol Pot men and their allies.

Human conscience cannot tolerate such a flagrant injustice as the representation in the United Nations of the Pol Pot criminals who exterminated over 3 million Kampuchean in pursuit of their policy of genocide and who perpetrated atrocious crimes resembling those of the Nazi executioners.

Meanwhile, the People's Republic of Kampuchea, a sovereign state which has fully proved its viability and right to be a member of the international community, is still denied that right. This is taking place because the enemies of the People's Republic of Kampuchea would like to reverse the successful process of national rebirth and of building a new life in Kampuchea. But no intrigues of the external forces can prevent the Kampuchean people from building a free, independent and thriving homeland, TASS concludes.

CSO: 4200/1108

PEOPLE'S REPUBLIC OF KAMPUCHEA

CHAN VEN MEETS HO CHI MINH YOUTH DELEGATION

OW141415 Phnom Penh SPK in English 1058 GMT 14 Jun 85

/Text/ Chan Ven, president of the Kampuchea-Vietnam Friendship Association, cordially received in Phnom Penh Wednesday a visiting delegation of the Ho Chi Minh Communist Youth Union led by Le Than Dao, second secretary of the Executive Committee of the union.

Speaking to his guests, Chan Ven, who is also general secretary of the State Council, welcomed the presence of the delegation at the current first meeting of the "Three Good" movement of the Kampuchean Youth as an important encouragement to the Young Kampucheans.

He highlighted the Kampuchean young people's role in great achievements in national construction and defense, thus contributing to upgrading the prestige of the People's Republic of Kampuchea.

He affirmed that these successes are inseparable from the assistance of the fraternal socialist countries, particularly the party, the government and the people and the youth of Vietnam.

In the spirit of mutual assistance, solidarity and proletarian internationalism, since liberation of Kampuchea, he said, the friendship and solidarity between the Kampuchean and Vietnamese youth have been further strengthened.

Chan Ven also reaffirmed that under the leadership of the People's Revolutionary Party of Kampuchea and thanks to the firm confidence of Kampuchean people in the ties of friendship and solidarity with Vietnam, the Kampuchea-Vietnam relations will remain unshakable.

In reply, Le Thanh Dao praised the recent military victories of the Kampuchean Army over the Pol Pot remnants and other Khmer reactionary groups along the Kampuchean-Thai border, and stressed that under the leadership of the People's Revolutionary Party of Kampuchea, the Kampuchean people will defeat all kinds of enemy.

He reiterated the Ho Chi Minh Communist Youth Union's efforts in strengthening the ties of solidarity, friendship and cooperation between the two countries' youth organizations to step up the national construction and defense of their respective countries.

PEOPLE'S REPUBLIC OF KAMPUCHEA

SPK REPORTS ACHIEVEMENTS IN PREAH VIHEAR

BK160704 Phnom Penh SPK in English 0440 GMT 16 Jun 85

/Text/ For its merits in the revolutionary emulation movements in 1984, including the mopping-up operations against the enemies on the border, the province of Preah Vihear, 250 km north of Phnom Penh, has received the rotary banner of the Council of Ministers.

In the recent dry season the provincial armed forces in coordination with the Vietnamese volunteer army put out of action 217 enemies and seized 32 guns and a quantity of other war materials. In other operations which were conducted by the Kampuchean armed forces of Preah Vihear alone, 63 other adversary troops were put out of action and 13 rifles and a quantity of ammunition seized. Moreover, the militia force actively detected and foiled enemy networks, ensuring the peaceful life of the local inhabitants.

On other patriotic movements as the rice sales to the state, Preah Vihear over-fulfilled its plan by five percent. The provincial trade service managed to supply in time the peasants with many necessities despite great difficulties in communications. That is why in order to accelerate the exchange of goods, 16 bridges were built with a total length of 114 meters, 26 others repaired and many sections of road totalling 61 km in length strengthened.

In this school year, Preah Vihear has 553 classrooms, up by 13 over last year, with an enrollment of 15,550 pupils of primary level and 970 junior-high students. It also sees 35 kindergarten charges /as received/.

The province now has 7 district dispensaries and 29 communal infirmaries in addition to 1 hospital in the provincial town. Last year some 550,000 persons were treated with Western and traditional medicines.

In the same period, the revolutionary infrastructure was strengthened with the increasing membership of mass organizations and of the party.

CSO: 4200/1108

PEOPLE'S REPUBLIC OF KAMPUCHEA

BRIEFS

MINISTER IN GDR--Kampuchean Health Minister Yit Kimseng has visited a number of the health care establishments in the district of Erfurt in the German Democratic Republic. While visiting, Yit Kimseng paid particular attention to the GDR pharmaceutical industry. He was informed in details of the Controlling system for verifying the quality of pharmaceutical products. He also met with doctors and pharmacists of that locality. Yit Kimseng arrived in the GDR to attend the conference of the health ministers of the socialist countries.

/Text/ /Phnom Pneh SPK in English 1116 GMT 10 Jun 85/

YOUTH DELEGATIONS--Youth delegations of Vietnam and Laos arrived here yesterday afternoon to attend the first meeting on the patriotic "three good" emulation movement of the Kampuchean youths to be held soon. The Vietnamese delegation, led by Thanh Dao, second secretary of the Executive Committee of the Ho Chi Minh Communist Youth Union, and the Lao delegation /as received/ by Chan Seng Vilavong, member of the Executive Committee of the Lao People's Revolutionary Youth Union, were welcomed at Pochentong Airport by Men Kuown, standing member of the Executive Committee of the People's Revolutionary Youth Union of Kampuchea and vice president of the Association of Revolutionary Youth of Kampuchean /ARYK/; Im Suosdei, vice president of the ARYK Executive Committee; and other representatives of Kampuchean youth organizations. /Text/ /Phnom Penh SPK in English 1055 GMT 12 Jun 85/

CSO: 4200/1108

MILITARY AFFAIRS & PUBLIC SECURITY

ARMY PAPER EDITORIAL ON DISTRICT MILITARY ORGANS

BK241123 Hanoi Domestic Service in Vietnamese 2330 GMT 23 Jun 85

[QUAN DOI NHAN DAN "recent issue" editorial: "Build Firm and Strong District Military Organs"]

[Text] In the undertaking to make districts firm politically, rich economically, and strong militarily and to build 400 districts step by step into 400 military fortresses, district military organs play a very important role. To fulfill their role as the military staff of the district party committees and administrative bodies and, at the same time, their task of directly organizing and directing the district armed forces' combat activities and efforts to defend and build the localities, district, military organs must be firm and strong. To this end, organizing and strengthening the contingent of cadres are decisive factors.

On the basis of the requirements of local military tasks and the specific position and characteristics of each district, it is necessary to study and resolve the issue of the military organ's table of cadre organization for every district in the south as well as in the north and in the mountainous areas as well as in the coastal region, avoiding mechanical duplication in doing so. The district military organ's table of organization must be arranged in such a way that there will be enough cadres in terms of quantity, branches and trades, armed services, knowledge, and capability to ensure fulfillment of all the immediate tasks and, in the long term, to foster the next classes of cadres. Each organ must have cadres experienced in local military tasks as well as cadres who have commanded regular Army units and are familiar with the various armed branches so that they can assist one another.

It is necessary to promote qualified and capable local cadres boldly, especially those of ethnic minority origin, who are known in their localities and trusted by the local administration and people. In those localities with a shortage of local cadres, a number of main-force cadres who were born there or are known locally may be deployed, but they must receive training in local military tasks before their assignment. For leading cadres, it is all the more necessary to adopt specific plans and programs for forming successive classes to create a basis for facilitating their training, deployment, and assignment.

In training district military cadres, special attention should be given to enhancing their ability to serve as the staff of the local party committees and administrative bodies as regards military matters. Their tasks consist of guiding the inculcation of viewpoints and tasks concerning national defense and disseminating military knowledge within the party organization and among the people in the district; guiding the strengthening of the militia and self-defense forces and the local armed forces; managing and training the reserve forces; drafting youths in peacetime and mobilizing manpower and material to meet wartime requirements; leading and directing the local armed forces in maintaining combat readiness, fighting, and helping safeguard political security and social order locally; and, at the same time, actively participating in building political bases and improving the local economy. In time of war, they are charged with guiding and directing the local armed forces, the militia and self-defense forces, and the entire people in conducting the local people's war in coordination with the main-force Army corps, supporting combat activities, providing manpower and materiel for the front line, and fulfilling the tasks of the rear satisfactorily.

Training programs designed for district military cadres must be comprehensive--covering political, military, economic, and cultural, as well as professional subjects--but they must be selectively geared to meet the requirements of tasks and the educational background of the cadres of each locality or unit. Military regions and provincial military command headquarters are responsible for providing annual training for district military cadres. Training should be given under different forms, whether at school or on the job, with training on the job and in the actual course of combat, combat support, and other work assignments being the main formats. Arrangements must be made for higher echelons to train the lower echelons; for cadres of the same echelons to train one another; and for independent study, self-improvement, and learning from the lower echelons and the masses. Leading cadres of district military organs can be selected from among company-level cadres or local cadres with prospects for long-term advancement, high ability, and fine qualifications who have completed basic training.

Fostering cadre sources as well as strengthening district military organs must be closely linked with the tasks of building the party and mass organizations in the localities. Through the various local emulation drives to carry out revolutionary tasks and through combat, it is necessary to make district military organs firmer and stronger in every respect so they will fulfill all the tasks entrusted by the local party committees and administrative bodies and the Army.

CSO: 4209/479

INTERNATIONAL RELATIONS, TRADE AND AID

AUSTRALIA ASKED TO CALL SUMMIT ON KAMPUCHEA

Sydney THE AUSTRALIAN in English 11-12 Apr 85 p 4

[Article by Ross Peake]

[Text] VIETNAM has asked Australia to convene a summit on the Kampuchean conflict.

The Minister for Immigration and Ethnic Affairs, Mr Hurford, revealed the initiative yesterday on his return from a world trip which included a visit to Vietnam.

Malaysia has already proposed "proximity talks" between the parties involved in the fighting. This is apparently unacceptable to Vietnam.

Mr Hurford acted as an emissary, taking the Malaysian proposal to Vietnam's Minister for Foreign Affairs, Mr Nguyen Co Thach.

Mr Thach made it clear that rebel leader Pol Pot had to be excluded from any settlement.

His response to the Malaysian proposal was equivocal, but he then suggested that Australia convene a seminar to discuss the conflict.

He said he would like to see either the Australian Government or a body such as

the Institute of International Affairs convene the meeting.

This would be a precursor to the full-scale proximity talks.

It is the breakthrough the Minister for Foreign Affairs, Mr Hayden, was seeking during his visit to Indo-China earlier this year.

Mr Hurford had been wary about revealing the request because the issue does not come within his portfolio. He is aware, too, of Mr Hayden's experience of apparently being told lies by the Vietnamese Government.

Unique

Mr Hurford said Australia might play a role as moderator in any proximity talks.

He said: "Because of Australia's unique position in having the respect of the Vietnamese Government as well as the governments of Thailand, Malaysia and the other ASEAN countries, there may be a role for Australia to play, but it is a little early to see what that role

would be in the possible proximity talks."

Mr Hurford said the venue for the talks had not been considered.

"But what is clear is that the Vietnamese would very much like the Australian Government or an Australian institution like the Institute of International Affairs to promote a top-level seminar in Canberra of all the parties concerned in the Indo-Chinese situation," he said.

"It would involve bringing the parties here for the seminar and, of course, knowledgeable people to be involved in the general discussions of a possible political situation in that part of the world, which is so much better than allowing the fighting to continue."

"A seminar would be an earlier step than proximity talks. It would not have any determining element to it. It would be more of an exchange of views as to what the possible solutions are."

CSO: 4200/1110

INTERNATIONAL RELATIONS, TRADE AND AID

TRACH CHARGES AUSTRALIANS MISTREAT VIETNAMESE STUDENTS

Sydney THE AUSTRALIAN in English 10 May 85 r ?

[Article by Ross Peake]

[Text]

VIETNAM has accused the Australian Government of encouraging violence against 22 Vietnamese students in Canberra.

The allegation was made by Vietnam's Foreign Minister Mr Nguyen Co Thach when he met the Minister for Immigration, Mr Hurford, yesterday.

Mr Thach said the Vietnamese Government was outraged by the violence of members of the Vietnamese community in Australia against the students. The students are learning English and will teach this when they return to their country, which is critically short of English-language interpreters.

Mr Thach's accusation carried the implication that the violence would have a backlash on the Australian Vietnamese community, because the Vietnamese Government has threatened to stop the family migration program to Australia.

This means that the 35,000 people who have applied to leave Vietnam for Australia might not be able to join their families.

Mr Hurford rejected the allegation and said Australia did not condone violence in any form.

It is known that Mr Thach is particularly angry that the Vietnamese Ambassador was jostled outside Parliament House in Canberra. The Vietnamese Government cannot understand how a government could allow such an incident with no arrests.

Vietnamese officials made it clear to Mr Hurford that such

a situation would not be allowed to happen their country.

Mr Hurford had been briefed to expect Mr Thach to react strongly to the recent demonstrations against the students. However, he was apparently stunned by the allegation against the Australian Government, which Australian officials later described as a bombshell.

Mr Thach also said Vietnamese working inside the Department of Immigration were encouraging violence.

Mr Hurford had been handed a cable just before the meeting, detailing the recent demonstrations, including disruption of the celebrations in Sydney to commemorate the tenth anniversary of the fall of Saigon, now Ho Chi Minh city.

The cable also referred to an editorial in the Vietnamese-language newspaper in Australia, Bell of Saigon, which called for more decisive action against the Vietnamese communists.

Both Mr Hurford and the Minister for Foreign Affairs, Mr Hayden, have talked with leaders of the Vietnamese community and warned them of the possible backlash from the demonstrations against the family migration program, also known as the orderly departure program.

He went into his meeting with Mr Thach intending to ask that the migration program be lifted from about 3000 people this year to about 6000 next year.

However, it is understood that no immediate reply was given.

CSO: 4200/1110

INTERNATIONAL RELATIONS, TRADE & AID

UN ENVOY SAYS RADIO MARTI VIOLATION OF CHARTER

OW242105 Hanoi VNA in English 1634 GMT 24 Jun 85

[Text] Hanoi June 24--Vietnamese UN Ambassador Le Kim Chung has denounced the imperialist countries for using mass media for counter-revolutionary and subversive purposes.

Speaking at the Jegular Session of the UN Information Committee on June 20, Le Kim Chung who is acting head of the Vietnamese permanent mission to the UN, condemned the brazen subversive character of the radios "Free Europe" and "Liberty" in Europe and most recently Radio Marti set up on U.S. soil and targeted at revolutionary Cuba.

The setting up of the latter radio, he pointed out, is new and gross violation of international law and the principles of the UN Charter. He demanded the U.S. Government put an immediate stop to this wicked act against Cuba.

Ambassador Le Kim Chung paid tribute to the tireless struggle of developing countries aimed at establishing a new world communications order. He welcomed their concrete coordinated acts aimed at setting up and broadening their own communications systems.

He expressed Vietnam's support for UNESCO's activities aimed at helping the developing countries in this work.

CSO: 4200/1135

INTERNATIONAL RELATIONS, TRADE & AID

MEETING MARKS U.S. WITHDRAWAL FROM LIBYA

OW242019 Hanoi VNA in English 1645 GMT 24 Jun 85

[Text] Hanoi VNA June 24--A meeting was arranged here today to mark the 15th anniversary of the withdrawal of foreign troops from Libya.

The meeting, jointly sponsored by the Vietnam Committee for Solidarity and Friendship with Other Peoples (VCSFOP) and the Vietnam AAPSO Committee, was attended by Hoang Minh Giam, president of the presidium of the VCSFOP Senior Lieutenant General Hoang Minh Thao, vice president of the Vietnam AAPSO Committee; 'Abd al-Salam al-'Arabi Munir, secretary of the office of the Socialist People's Libyan Arab Jamahiriya here, and others.

Addressing the meeting, Senior Lieutenant General Hoang Minh Thao appraised the long and heroic struggle of the Libyan people against foreign aggressors for their sacred fundamental national rights. He condemned the imperialists and other reactionary forces for their repeated provocations and sabotages against Libya.

He recalled the major achievements recorded by the Libyan people in national construction as well as in defeating all schemes and acts of sabotage of the imperialist and other reactionary forces to defend Libya's national independence, sovereignty and natural resources.

He expressed sincere thanks toward the Libyan people for their solidarity with and support for the Vietnamese revolution, and wished them still greater achievements in their struggle against the U.S.-led imperialists and reactionary forces for national independence.

Taking the floor, 'Abd al-Salam al-'Arabi Munir expressed gratitude toward the Vietnamese people for their fine sentiments toward the Libyan people and praised the friendship and solidarity between the two countries and peoples.

CSO: 4200/1135

INTERNATIONAL RELATIONS, TRADE & AID

SRV LEADERS GREET MOZAMBIQUE NATIONAL DAY

0W242106 Hanoi VNA in English 1651 GMT 24 Jun 85

[Text] Hanoi VNA June 24--Vietnamese leaders today sent a joint message of greetings to Samora Moises Machel, president of the Frelimo Party and of the People's Republic of Mozambique on his country's 10th independence day.

The message, signed by Le Duan, general secretary of the Communist Party of Vietnam Central Committee, Truong Chinh, president of the State Council; Pham Van Dong, chairman of the Council of Ministers, and Nguyen Huu Tho, chairman of the National Assembly, said:

"Since the gaining of their independence, the Mozambique people, under the leadership of the Frelimo Party headed by Your Excellency, and promoting their tradition of courageous fighting, have overcome numerous difficulties and trials, recording important victories in their national construction and defence, and foiling the schemes and acts of sabotage and aggression of the imperialists and their racist stooges".

The Vietnamese leaders reiterated the Vietnamese people's solidarity with and support for the Mozambique people in their just struggle for strengthening their national independence and building a prosperous country.

They also expressed their firm belief that the Mozambique people "will overcome all difficulties and successfully carry forward their glorious revolutionary causes."

"May the friendship and fraternal cooperative relations between our two peoples further consolidate and develop", the message added.

CSO: 4200/1135

INTERNATIONAL RELATIONS, TRADE & AID

BRIEFS

RADIO-TELEVISION DELEGATION IN GDR--A delegation of the Vietnam Commission for Radio and Television led by Chairman Tran Lam has attended a conference of the Organization of International Radio and Television. The conference was held in Berlin, capital of the GDR from 18 to 21 June with the participation of 19 delegations. [Text] [Hanoi International Service in English 1000 GMT 22 Jun 85 BK]

SOVIET GIFTS TO CENTRAL PROVINCE--Hanoi VNA June 24--The chapter of the Vietnam-USSR Friendship Association in Quangnam-Da Nang Province, Central Vietnam, recently held a ceremony to receive the first consignment of goods as gifts from the Latvian Soviet Socialist Republic, the USSR, to the local population. The shipment includes three tonnes of foodstuffs, cultural items, clothings and children's toys. [Text] [Hanoi VNA in English 1650 GMT 24 Jun 85 OW]

INDOCHINESE GROUP MEETS--Hanoi VNA June 24--The Vietnam-Laos Kampuchean Commission for Economic and Cultural cooperation held its 5th session in Ho Chi Minh City, Vietnam, this morning. The Vietnamese delegation is led by Tran Quoc Manh, deputy-head of the Vietnamese section of the commission, the Lao delegation by Soulyma Bounelut, vice-chairman of the State Commission for Planning of the Lao People's Democratic Republic, and the Kampuchean delegation by Ben Path, vice-minister for economic and cultural cooperation with foreign countries. In his opening speech, Tran Quoc Manh laid stress on the encouraging results in the economic and cultural cooperation among the three countries over the past years, which, he said, has strongly developed in various forms and facilitated the economic, cultural and technical development in each country. [Text] [Hanoi VNA in English 1642 GMT 24 Jun 85 OW]

HUNGARIAN SPORTS EXHIBITION--Hanoi VNA June 24--An exhibition of Hungarian sports was opened here today in the presence of Ta Quang Chiem, head of the Vietnam General Department of Sports and Physical Training and Hungarian ambassador to Vietnam Bela Benyei. The exhibition, sponsored by the Vietnam General Department of Sports and Physical Training, highlighted Hungary's sports development and achievements over the past years. [Text] [Hanoi VNA in English 1641 GMT 24 Jun 85 OW]

10 July 1985

PULLOUT FROM ILO--Geneva, Mon.--Vietnam has quit the International Labour Organisation (ILO) because it says it is dissatisfied with help obtained from the agency and is unable to pay its contributions, an ILO spokesman said today. Vietnam cited among its reasons for pulling out, in addition to economic difficulties, unspecified measures taken on the basis of "ill-founded allegations." Vietnam's withdrawal reduces ILO membership to 150 States. [Text] [Penang THE STAR in English 4 Jun 85 p 10]

CSO: 4200/1098

PARTY ACTIVITIES AND GOVERNMENT

CIRCULAR ON DISTRICT BUILDING 1985-90 ISSUED

BK251310 Hanoi Domestic Service in Vietnamese 2300 GMT 23 Jun 85

[Text] The party Central Committee emulation department and the committee for district building recently issued a circular guiding localities throughout the country on organizing emulation movements to build strong districts during the 1985-90 period. Emulation movements for district building task in the years ahead should concentrate on these five points:

--Effectively use and exploit labor, land, sectors, branches, and material and technical bases at the district level.

--Rapidly develop agro-forestry-fishery production and rationally establish an agro-industrial economic structure for each region with different conditions.

--On the basis of developing production, strive to meet the people's demands for food and consumer goods, while satisfactorily carrying out the collection and purchase of products for the state and supplying materials to processing and export industries.

--Consolidate and perfect socialist production relations and circulation and distribution.

--Further improve the people's material and cultural lives; strengthen security and national defense; consolidate party organizations, the administration, and mass organization at district and grass-roots levels; and enhance the quality and capability of the contingent of cadres.

To fulfill these tasks, we must ensure that emulation drives between districts will result in fine and prompt achievements in the annual production development plan and that districts give appropriate reasons for a shortfall in their plan norms. We must be sure that these emulation drives will help in organizing production and reorganizing the division of labor, increasing material and technical bases, establishing agro-industrial economic structures at the district level, procuring more grain for the state and accumulations for districts and grass-roots units to expand production, satisfactorily carrying out market management, establishing district business systems, and

satisfactorily establishing and consolidating socialist production relations at the district level. We must also be sure that the emulation movement will improve the people's material and cultural lives, strengthen security and national defense, improve the training and enhance the quality of the contingent of cadres, and strengthen the party building task ideologically and organizationally. We must also strive to build strong district party organizations and pure and strong grass-roots party organizations, satisfactorily supervise the district building task, especially the annual program and task set forth by the central government and provinces.

The circular of the party Central Committee emulation department and the committee for district building provided additional guidance for provinces, cities, and special zones in organizing emulation movements in the district building task and for sectors and branches to accelerate the building of firm and strong districts.

CSO: 4209/479

PARTY ACTIVITIES AND GOVERNMENT

CPV ISSUES DECISION ON WARD PARTY ORGANIZATIONS

OW221313 Hanoi Domestic Service in Vietnamese 1100 GMT 20 Jun 85

[Text] The secretariat of the CPV Central Committee on 14 June issued a decision on the work code for ward party organizations.

The code specifies the functions and tasks of ward party organizations and the methods of leadership in all ward-related work, in accordance with the line and policy of the party and the state, so as to ensure that the ward is really the place where to develop the laboring people's collective mastery, to simultaneously conduct the three revolutions with the aim of developing the economy and culture, to organize the people's life, to ensure political security and social order and safety, and to properly fulfill the national defense obligation and that of the armed forces' rear services.

The ward party organization must lead and whip up a mass movement to implement all tasks and, on this basis, must educate and foster the masses; build, organize, train, select, and foster party members; select and promote cadres; and ensure the laboring people's collective mastery in all aspects, the discharge of citizens' obligations, and the meeting of the people's interests.

The ward party organization's specific tasks are to provide guidance in building and implementing social, economic national defense, and security plans and in building and organizing the administration, mass organizations, and laboring collectives; to ensure the masses' collective mastery; to build the cadre contingent; to carry out ward cadre work; to contribute views on issues related to the party's line and policy by holding discussions with higher-level echelons; and to recapitulate all opinions and creative experiences of the cadres, party members, and the masses.

Regarding relations in the implementation of the system of party leadership, collective mastery of the laboring people, and state management in the ward, the code stresses the leadership by the party committee, chapter committees, and party chapters over administrative work, mass organizations, laboring collectives, economic organizations, and cultural, educational, and public health work in the ward.

In addition to dealing with the laboring people's collective mastery, mass organizations led by the party committee, and the ward administration's managerial work, the code also specifies the systems of work, activity, and management of party members and organizations.

ECONOMIC PLANNING, TRADE AND FINANCE

EDITORIAL ADVOCATES INTEGRATED OPERATIONS ON DISTRICT SCOPE

Hanoi NHAN DAN in Vietnamese 14 May 85 pp 1,4

[Text] After examining the comprehensive plan and sector plans, and after decentralizing management and distributing the material and technical base comprehensively, districts start their production efforts along the lines of specialized cultivation, intensive cultivation, and integrated business operations. Based on a correct, rational selection of economic structure, many districts have creatively and inventively renovated the management structure, rearranged the production structure, reorganized the division of labor, and gradually created a new balance in the economy on the district scope.

In many locations, prominent themes in guidance and regulation methodology on the district level have been elimination of individual cultivation, satisfaction of the district's own need for food supplies, and initiation of more joint and combined forms of operation to develop agriculture comprehensively. Activating the collective ownership of the working people and mobilizing integrated strengths from the basic level up, more than 200 districts out of the total 426 districts have linked and are linking agriculture to forestry and the fishing industry; agriculture, forestry, and fisheries to industry and small industry; production to processing, distribution, and circulation; and the state-operated economy to collective, family, and individual economies to accumulate initial funds and gradually stabilize life for the people. Each district has its own strength and initiative according to its own special socioeconomic nature and way of life. Coastal districts develop a fishing, agriculture, and industry structure or an agriculture, fishing, and industry structure right from the basic level to catch, culture, and process marine products; at the same time, they make full use of land to plant industrial crops and grow forests on sand beaches and vacant land. Delta districts develop agriculture through the strengths of intensive cultivation, multicropping, rapid increases in the volume of food and commodities, raising freshwater fish, and afforestation to satisfy the local need for lumber and firewood. Midland and mountain districts can allot more cropland and forests to collective production units and families for business management, practice integrated agriculture, forestry, and fishing, and exploit the three strengths of wooded highland economy to produce wealth for the locality.

Many districts have had good experience in the imaginative use of instructions and resolutions of the party and state in specific local circumstances. Overcoming every difficulty and trial posed by adverse weather and topography and constantly coping with border aggression warfare, Meo Vac District, Ha Tuyen Province, organized ethnic minority compatriots into production solidarity teams, established close relations between the state and peasants through socialist trade relations, satisfied needs for food supplies and necessary consumer goods, and enabled each family to produce special forestry products for sale to the state. With sufficient food supplies for use and for contingencies, Cho Don District, Bac Thai Province, started more joint and combined forms of paper and fiber materials production enterprises that joined the district with corporations and factories at the central echelon and joined the district with cooperatives, and these efforts created funds with which to grow forests and establish economic control of the highlands on the district level. Nam Can District, Minh Hai Province, activated the integrated strengths of three levels exercising control on the district level, emphasized joint enterprises involving the three levels and all economic elements, combined reform with construction, coordinated economic zoning with territorial zoning, formed five stabilized "fishing villages," effectively exploited all sources of marine products for consumption and export, and altered the appearance of the countryside. The districts surrounding Ho Chi Minh City expanded the use of joint and combined forms of operation with urban wards and other localities and satisfied their own food needs as a basis for establishing areas specializing in the raising of vegetables, industrial crops, livestock, and fowl to guarantee a regular and stable supply of vegetables and food products for the entire city.

In circumstances of limited capital and materials, for the district to show initiative and be creative in production and business, conditions must be disposed for each district to mature and control planning through four sources of strength, concentrating on the three sources: on-hand strengths, joint enterprise, and import/export. At the same time, we must promptly resolve obstacles for the district in the management structure and in policies regarding economic leverage. Resolved to eliminate administrative, bureaucratic, and subsidizing management, we must encourage basic level units to make a strong conversion to socialist business operation and accounting. But the district cannot perform integrated business and accounting if the district itself does not take the initiative of formulating plans from the bottom up and, though the state provides mandatory planning norms, appropriate material prerequisites are not available for implementing two-way economic contracting and policies of investment, purchasing, pricing, taxation, and profit distribution. Districts that specialize in the cultivation of rice and subsidiary crops must, in addition to performing their mission of providing farm produce to people in the district and throughout society, use all land and labor forces to expand the area providing raw materials to small industry in production cooperatives, in production collectives, and among families of cooperative members, and to develop all suitable types of crops and livestock to create sources of export products. Districts specializing in long-term industrial crops or having forestry or coastal resources must encourage

installations and workers to combine agriculture, forestry, and fishing for "short-term harvest, long-term culturing," partially resolving their own food requirements. If this is not enough, they must start cooperative, combined, and joint forms of enterprises to exchange food with districts in the delta. On that basis, the district links production with processing, distribution, and circulation to create a large production bloc aimed at responding to the broad-spectrum consumer needs of people in the district and at accumulating initial stocks. Joint and combined operations constitute a new form of economic activity at the district level for exploiting the strengths of two or more participants, developing production, creating new products for society, and creating wealth for the district.

Production along the lines of specialized cultivation, intensive cultivation, and integrated business operation is the correct direction, with payoffs in productivity, quality, and economic effectiveness for each agricultural, forestry, fishing, and industrial installation on the district level. Economic and technical sectors and integrated agencies of provinces and the central echelon are upholding the concept of collective responsibility with the district and are helping the district with active management methods and appropriate socioeconomic policies. This is the best, most practical way to build and expand the district level, a starting point for all districts to begin depending on its own efforts to make wealth for the locality and for society by exploiting its own land, labor, and skills to the fullest, by joint and combined operations, and by employing integrated strengths.

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CSO: 4209/453

ECONOMIC PLANNING, TRADE & FINANCE

NHAN DAN ON BUILDING MARITIME AREAS

BK250837 Hanoi Domestic Service in Vietnamese 2300 GMT 23 Jun 85

[NHAN DAN 24 June editorial: "Make Maritime Areas Prosperous, Beautiful, and Strong"]

[Text] Our country's maritime areas, both sea and coastal, are of strategic importance socioeconomically and in terms of security and national defense. The maritime economy--which includes fishery, agriculture, forestry, salt production, and various branches and trades--holds a very important position.

The maritime areas under our country's jurisdiction have some 1,700 species of fish, more than 100 of which can be satisfactorily exploited, and over 1,000 square km of lagoons and bays, which are breeding grounds for various kinds of marine products or places where they can be raised and cultivated. In the coastal areas, land that can be used for agricultural production is relatively vast and crop and animal allocation is rich with fish, rice, sweet potatoes, corn, setaria italica, kaoliang, manioc, beans, peanuts, sesame, sugarcane, vegetables, fruit trees, buffalo and cattle, hogs, and fowl.

Swamp land along the coastline can be used to plant brugiera gymnorhiza, sonneratia acida, mangrove, and indigofera in combination with raising bees for the exploitation of honey. Forests in coastal areas and on off-shore islands have supplied part of the timber for capital construction and the repair of vessels and boats. The salt production sector, which is being expanded, has supplied the state with over 800,000 metric tons each year. Meanwhile, various branches and trades of the small industrial, handicraft, and industrial sectors--such as processing, engineering, boat building and repairing, and communication and transportation--are also being developed in the coastal areas.

Besides their direct economic value, maritime areas also have the capabilities of controlling floods, depositing soil, protecting the environment, providing scenic views, and helping in scientific research.

The party Central Committee Secretariat has issued a directive on continuing to build and consolidate socialist production relations in order to develop the marine product economy with regard to the agricultural, forestry, and

salt production sectors, and the various maritime branches and trades. This is aimed at making it possible for the maritime areas, both sea and coastal, to make a useful contribution to the construction and defense of the socialist fatherland.

To transform and build the maritime areas, it is necessary to develop the working people's right to collective mastery and simultaneously carry out the three revolutions, with the scientific-technological revolution being the kingpin; to form right from the start a fishery-agriculture-industry structure in each establishment and at the district level; and to develop to a high degree the trend of comprehensive business with marine products serving as the mainstay in order to promote the maritime areas' great potential in terms of work force, water surface, and arable land, carry out economic development, and shape a new socialist lifestyle.

Depending on the situation in each locality, it is necessary to establish production orientations and an economic structure for maritime areas in a rational manner with emphasis on the main task. It is also necessary to vigorously develop the exploitation, raising, cultivation, processing, transportation, and consumption of marine products with attention focused on rounding up valuable items for export, considering this as a spearhead to achieve new progress in the maritime areas' economic and social development and provide an ever-increasing source of protein for life and livestock breeding, especially in cities, industrial centers, and mountainous provinces, and for the armed forces.

All types of land must be put to full use in order to develop agriculture, forestry, and salt production; and the general work force must be combined with the local work force to step up the exploitation of potential in each specific area. The work force must claim true mastery over vessels, water surfaces, and lands. Socialist transformation and the building of socialist production relations in maritime areas must be carried out through diverse forms as warranted by the population situation and the requirements of production with the goal of achieving high economic efficiency; but it is necessary to truly respect the principle of voluntariness and avoid formalism and coercion. In organizing production, exploitation must be closely linked with the preservation of resources; and production must be combined with processing, logistics, services, and distribution and circulation. The forms and steps of production organization must be carried out from a low to high level and from a small to large scale so as to create conditions for laborers to gradually familiarize themselves with the new work methods.

Collectivized socialist economic organizations should be set up chiefly with small and medium sizes to suit the managerial capability and characteristics of each branch and trade. It is necessary to broadly apply the system of product contracts with labor groups and laborers within each branch and trade, on each vessel, and for each piece of equipment belonging to the production collectives. State-run and collectivized economic organizations should reorganize production and management, abolish bureaucratism and subsidization, and practice socialist economic accounting and business in order to boost production and increase business efficiency.

Stepping up the building of material-technical bases and rapidly applying technological innovations to production in the maritime areas' economy constitutes an important task. First of all, attention must be given to combining the various techniques for raising, cultivating, exploiting, preserving, and developing resources; and to effectively making use of acid, sulfate, and sandy soil areas as well as alluvial areas in accordance with the law of nature. By combining the activities of the state-run, collectivized, and family-based economic sectors and expanding joint business and integration among the various economic sectors such as agriculture, forestry, and salt production, among the maritime, lowland, midland, and mountainous areas, between the central and local levels, and between armed forces units performing economic duties in maritime areas and production and business establishments, we will create an aggregate strength for developing the maritime economy and linking economic development with the building of a new countryside, the maintenance of security, and national defense.

The districts in the maritime areas are the theater for planning and establishing a maritime economic structure, for linking fishery, agriculture, forestry, and salt production with industry, for effecting integration among the various economic components, and for carrying out cooperation and joint business. Making districts firm and strong and correctly implementing the newly promulgated economic policies constitutes a condition for building prosperous, beautiful, firm, and strong maritime areas.

CSO: 4209/479

ECONOMIC PLANNING, TRADE AND FINANCE

EDITORIAL ADVOCATES MANAGEMENT REFORM, POULTRY RAISING

Hanoi NHAN DAN in Vietnamese 16 May 85 pp 1,4

[Text] A primary mission of animal husbandry is production of more and more food products--meat, eggs, and milk--in contribution to efforts to improve the food structure, promote health among the people, respond to other needs of the economy, and generate sources of export goods. Chickens, ducks, and other poultry that produce eggs and meat fast and in large quantities at little cost in feed are traditional livestock popular in all households in our country.

There are 92 state-operated industrial chicken-raising installations and collectives nationwide in more than 30 provinces and municipalities. They produce 40-50 million eggs and around 2,000 tons of meat a year. Joint state-operated, collective, and family livestock-raising efforts are becoming more and more widespread. Industrial chicken and egg production plans have been implemented, with high productivity, quality, and effectiveness, in a number of key food-producing areas such as Hanoi and Ho Chi Minh Cities, the Vung Tau/Con Dao Special Zone, and Quang Ninh and Vinh Phu Provinces.

Our country has more than 1,000 large and small rivers, 750,000 hectares of lakes and ponds, and several million hectares of wetland ricefields. Each harvest, the amount of paddy that falls to the ground amounts to 3-4 percent of the total output. This is a plentiful source of feed for duck flocks. Ducks and rice plants are tied closely together. Ducks can be raised wherever rice is cultivated. Putting together a small garden plot and a pond with a flock of chickens or ducks creates a regular, on-site source of food and increases income for the family economy. In Long An, Cuu Long, Thanh Hoa, and a number of provinces in the Red River and Mekong deltas, much good experience has been gained in organizing management and building a material and technical base for raising ducks; at the same time, appropriate incentive policies are in effect, especially those of poultry product contracting and expanding the formation of joint forms of economic activity, gradually turning poultry raising into a production and business sector with much practical economic effectiveness.

Nationwide, however, the per-capita ratio of poultry to people and the output of eggs and poultry are still too low. The poultry-raising sector is not yet developing strongly and steadily and is not yet responsive to the needs of life throughout society.

In 1985 and successive years poultry flocks must be developed strongly on a large scale; product quantity and quality must be quickly increased in response to the demands of domestic consumption and at the same time to stabilize sources of export goods. For the immediate future, we must expand forms of duck raising, rapidly building and starting production in installations that raise imported white ducks and developing purebred local carnivorous and vegetarian ducks for economic crossbreeding. We must improve the processing and storage network from time of slaughter and freezing to transporting poultry, eggs, and down. The chicken-raising industry must be firmly developed in large cities and industrial zones in response to the need for meat and eggs for cadres, workers, and the people.

With the state providing only 40-50 percent of the main raw materials for production, localities and installations raising poultry must use ingenuity and creativity to change the management structure and effectively use joint forms of operation between the central echelon and the locality and among state-operated businesses, collectives, and families, activating integrated strengths to develop industrial chickens. These measures must be expanded for all other types of poultry, such as ducks, swans, geese, and pigeons, and also rabbits. Joint operations must be expanded that bring together breeding installations (with brooders) and export meat and down processing enterprises with cooperatives, production collectives, and families that raise commodity ducks and geese on the basis of diligently insuring profit for each participant. Joint and combined poultry raising efforts enable two parties or many parties to rationally and effectively exploit presently-available labor, land, water, traditional occupations, and the material and technical base with the aims of rapidly increasing the volume of products for consumption and export, conserving investment capital, and employing technical advances in production.

Developing economically effective animal husbandry in the collective sector is an important element in the network of joint operation, but which stock are to be raised, at what scale, and with what orientation will depend on the growing conditions in each area and each locality. There must be plans for training workers and personnel in the techniques of raising poultry for cooperatives and production collectives, and for giving technical guidance in raising industrial chickens in the family area. Poultry-raising clubs must be organized and put into action in villages, subwards, wards, and districts in line with the formula, "primarily the people; the state helping out with some breeding stock and feed and insurance on the livestock." We must improve methods of operation and expand cooperation among the sectors of agriculture, food supplies, marine products, food industry, and electric power on the basis of the state plan and two-way economic contracts. Sectors and elements directly serving animal husbandry, such as those concerned with supplying feed, fish powder, bean cake, and electricity must uphold their guidance role and the ideal of collective responsibility, disposing conditions favorable for the basic level to use its initiative in implementing advantageous production plans, raise product quality, and lower costs.

Renovating management structure and expanding joint and combined forms of operation in poultry raising is the correct and enlightened course for many localities and basic units. Associated levels and sectors must quickly eliminate bureaucratic and subsidizing management, concretely supplement policies, and contribute to promoting the steady development of poultry raising toward the goal of producing 1.7 billion eggs and 130,000 tons of poultry within the year.

9830

CSO: 4209/453

ECONOMIC PLANNING, TRADE AND FINANCE

MARKETS IN HO CHI MINH CITY

Hanoi VIETNAM COURIER in English Apr 85 p 15

[From the "Facts and Figures" column]

[Text]

Ho Chi Minh City has 184 markets, with a total turnover of about 16 billion dong yearly, and supplying about 80% of the needs of its people. Business is conducted there in a variety of ways. Some stalls have a monthly turnover of 0.5 — 1 million dong. There are also peddlers and itinerant stalls displaying but very few of the goods, either with a view to tax evasion or because some of the goods are prohibited ones.

This huge component of the machinery for goods circulation and distribution formerly created many obstacles to a proper management of market and prices. The bureaucratic-style management of the markets was not very effective. The authorities in charge of the socialist transformation of trade unanimously held that a shift had to be made toward business-style management. In late 1984, many drastic changes occurred. Markets were divided into four categories: wholesale city market, wholesale district market, general retail market, and small neighbourhood market. Management differs for each of these categories.

At present, the State Trade has set up in the markets more than 600 counters selling sundry goods and foodstuffs and more than 2,000 counters selling rice, which account for more than 90% of the rice trade in the city. Thousands of small traders have become State employees; 88% of their total have been organized into more than 2,600 teams, which are to toe the socialist line of doing business.

The socialist transformation of production is conducted in close connection with that of circulation. Markets have been reorganized while stringent measures have been taken against speculation, smuggling and illicit trading operations. In such sectors as textile weaving and dyeing, making of bicycles and parts, plastic and glassware... the State controls every link in the process of production: planning, supply of materials and equipment, fixing of quotas, control of product quality, and marketing. The more than 110 open-air markets are being relocated and reduced in size. In the two months of November and December 1984 alone, legal action was taken in 2,000 cases of smuggling and making of counterfeit goods, including smuggling operations by sea or across national borders, in which goods worth tens of millions of dong were seized.

At the time of Tet, the Lunar New Year festival, the city trading services supplied goods worth three billion dong to the population.

CSO: 4200/1110

ECONOMIC PLANNING, TRADE AND FINANCE

EDITORIAL MAKES APPEAL FOR INCREASE IN QUALITY OF DISTRIBUTION

Hanoi NHAN DAN in Vietnamese 17 May 85 pp 1,4

[Editorial: "Eliminate Subsidizing Bureaucracy in Circulation of Goods"]

[Text] Product quality is what the consumer commonly looks for. Ensuring that good products reach the consumer is the duty and responsibility of the producer and also of the person working in distribution and circulation. The trade sector recently made some attempts in the area of quality management and inspection and in stopping the delivery of defective and counterfeit goods to warehouses and their transport from there for circulation on the market. Some preliminary progress has been made in management of purchasing, which resulted in the market receiving many good-quality products appreciated by the customers.

However, of all the products purchased by the trade sector for sale on the market, the percentage of goods that meet standards is still not high. Many goods are poor in quality, but circulated anyway. There are brands of fish sauce with only 3 to 4 grams of nitrogen per liter. Tens of thousands of ready-made clothing articles have unravelled after a few washings. People have bought carelessly assembled bicycles that incur large repair bills before they run; whole lots of bicycles have counterfeit valves or cracks in the welded joints. Thousands of inaccurate weighing scales have been delivered to commerce warehouses. Many cakes of soap claiming to be 62 percent fatty substance are found through testing to contain only 26 percent. This set of circumstances exists because some production installations act falsely, lack conscientiousness and a sense of responsibility, pursue profits, and are provincial and selfish, while management is very lax in the circulation sector. The socialist trade purchasing organization does not closely inspect product quality when receiving and dispatching goods and does not store them well. The main cause of this situation is that there continues to be a strong subsidizing, bureaucratic structure in the commerce sector in particular and in the economy in general. Price, wage, and money problems of that subsidizing, bureaucratic structure not only cause a loss of incentive in production, but also cause many negative phenomena in the socialist trade sector, which fosters an aloof way of doing business. Also, vexations are caused the customer, poor-quality goods are bought and forced on those who receive issued goods or are left to stagnate, business is done at a loss and state subsidy is obtained to compensate for it, and some commerce cadres and

personnel hold back good, high-demand items for their own use, for diversion to the free market to obtain the difference in price, or for sale to speculators. This situation must be stopped fast.

Socialist trade is a bridge joining the producer to the consumer, serving the consumer, but at the same time having a retroactive influence on production. As for the circulation phase, special attention must be paid to product quality standards when contracting for and purchasing industrial goods, agricultural products, and food, so that counterfeit goods and goods that do not meet the standards of the grade indicated are not permitted to be delivered to commerce warehouses, and low-quality goods are not permitted to leave the warehouses for shops and consumers. Efforts to set standards and conduct inspections need further expansion. The ranks of cadres involved in contracting and purchasing must be strengthened. Deviant and corrupt personnel must be thoroughly eliminated from the sector. The material responsibility of each party in economic contracts must be upheld by such means as strictly punishing contract violations. The material responsibility when contracts are violated must be closely linked to the formation and use of incentive funds in economic organizations. Product quality inspections must be increased in delivery operations, especially at product purchasing and reception points, so that poor-quality goods are not allowed to get past this phase and enter commerce warehouses. Quality management organizations and quality inspection and control forces are critically necessary throughout the state-operated commerce network.

To do this, what is most important is to eliminate the bureaucratic, subsidizing structure in the goods circulation phase, changing it to truly socialist business operations and accounting, and building a price, wage, and money structure that stimulates production and business with high economic effectiveness and service. When the price, wage, and money structure is no longer bureaucratic and subsidizing, the producer as well as production units will be forced to work well, products will have good quality, and costs will come down. The person working in circulation will also have to do good work, and goods purchased and sold will have to be of good quality. At that time, the customer will not be forced to accept poor-quality, counterfeit, or expensive goods, and the state will not compensate businesses for operations at a loss. At that time, the entire commerce sector must truly convert to socialist business and accounting, and sales personnel must be truly pleasant, polite, and civilized toward the buyer and the seller; only then will the sector control goods, control money, dominate the market, and serve production and life well.

Eliminating the bureaucratic, subsidizing structure in the goods circulation phase is an extremely complicated and difficult fight, but a necessary one, which will change business views, perceptions, attitudes, and foundations in the direction of socialist business practices and contribute to the stabilization of the socioeconomic situation in our country.

9830
CSO: 4209/452

AGRICULTURE

HARVEST IN SOUTH, INSECT INFESTATION IN NORTH REPORTED

Hanoi NHAN DAN in Vietnamese 26 Apr 85 p 1

[Text] The southern provinces are concentrating on harvesting the spring rice crop because of favorable weather conditions. According to the Statistics General Department, as of 15 April, the southern provinces have harvested 71.9 percent of the spring rice area. The harvest has been nearly completed in Quang Nam-Da Nang, Nghia Binh, Phu Khanh, Guu Long, Kien Giang, Long An and Tien Giang Provinces. By harvesting quickly, many localities have been able to prepare the soil to grow various summer crops on schedule. From 15 to 20 percent of the arable area has been plowed and turned up in many regions. The summer production campaign has been conducted at a quicker pace than during the corresponding period last year.

In north Vietnam, sunshine has proven favorable to the growth of rice plants but harmful diseases and insects, especially army weevils and stem borers, have also developed strongly. According to the Statistics General Department, as of 15 April, 156,000 hectares of rice have been infested with insects--an increase of 60,000 hectares over the same period last year and 36,000 hectares over the previous 10 days. The provinces with large areas infested with insects are Hghe Tinh (33,000 hectares), Thanh Hoa (29,000 hectares), Binh Tri Thien (24,000 hectares), Hai Hung (24,000 hectares) and Ha Nam Ninh (over 18,000 hectares). To protect this year's rice crops, it is necessary to organize the prevention and control of harmful insects extensively, closely and effectively in order to check their expansion. To date, almost all regions have carried out the second weeding phase on 50 to 60 percent of the rice area and some localities have even performed the third weeding phase. Recent rains have caused waterlogging to about 9,000 hectares in Ha Bac Province so that 800 to 900 hectares in the areas of Que Vo, Yen Phong and Tien Son may be completely lost. Meanwhile, 10,000 hectares of rice in Thanh Hoa and Hghe Tinh Provinces have lacked water. The localities concerned are carefully managing water sources to guard against extensive drought during the boot forming period of riceplants and are preparing a sufficient amount of good-quality rice seeds for the 10th-month season.

To date, the nationwide area of vegetables and subsidiary food and industrial crops is still lower than the planned norm--only 47.9 percent for subsidiary food crops and 32 percent for short-term industrial crops.

9332
CSO: 5400/4392

AGRICULTURE

BRIEFS

INSECT DAMAGE--In the northern provinces, rice blasts have developed strongly on large areas, especially on infested crops and improperly fertilized fields. Rice stem borers of the first generation have existed until early April while army weevils have continued to damage the fifth-month and spring rice crop, and *cirphis salebrosas*, plant lice and black cut worms have damaged vegetables and subsidiary food crops. In the southern provinces, rice blasts have developed continuously and damaged rice head stems in the coastal areas of central Vietnam while leaf folders, rice armyworms, rice ear-cutting caterpillars and *aphelenchoides oryzae* have done damage in many localities. It is necessary for the northern provinces to step up field inspection, to zone off the areas infested with rice blasts and actively to control them to prevent them from spreading to larger areas. It is necessary continuously to trim off or scratch plant leaves to eliminate young army weevils and to use scoop-nets to catch mature army weevils where they exist in great density. It is necessary to watch out for any strong development of the second generation of rice stem borers and to draw up a plan to pick out their egg nests and promptly to cut off withered rice stems to limit the density of these second-generation stem borers. The southern provinces must take all the necessary measures to limit the damage done to rice head stems by rice blasts, to strenuously eliminate rice gall flies, leaf folders and stem borers where they exist in great density and also to apply field sanitation measures prior to sowing and transplanting the summer-fall crop. [Text] [Hanoi NONG NGHIEP in Vietnamese No 10, 1 Apr 85 p 2] 9332

QUANG NAM-DANANG RICE CULTIVATION--Hanoi VNA June 25--In the past few years, the central coastal province of Quang Nan-Da Nang has earned national reputation for its high rice output, not on pilot fields alone. Except for only three cooperatives, the whole district of Dai Loc in 1984 obtained 12-13 tons of paddy per ha, that is an increase by a half or even twofold compared with the past. In 1984, the province reaped an average of 18 tons per hectare on treble-cropping fields, which cover 20,000 among a total of 60,000 hectares of cultivated land. The province has invested V.N. Dong one hundred million in improving the old irrigation works and building new ones to expand high-yield rice fields. Besides the use of nitrogenous and phosphatous fertilizers all the cooperatives have expanded breeding for more manure. Many of them are raising four or five pigs per hectare of cultivated land. The province is increasing its herd of oxen, chiefly of the imported

Sind and Zebu species. Dien Hong co-op, for example has 650 oxen mostly of the Sind or Zebu breed, by inseminating local cows with frozen semen of Indian bulls. Intensive cultivation poses an imperative demand for machinery. All the cooperatives in the provinces have asked for tractors. The cultivation of three paddy crops a year also needs changes in the crop structure, a renewal of paddy strains and strict observance of the planting calendar. One results in paddy cultivation cannot be dissociated with the application of the quota contract system which has encouraged the farmers to put in more labour and manure on each land unit. [Text] [Hanoi VNA in English 1512 GMT 25 Jun 85 OW]

CSO: 4200/1135

HEAVY INDUSTRY AND CONSTRUCTION

JOINT VIETNAMESE-SOVIET ENTERPRISE CONSTRUCTS LARGE OIL DERRICK

Hanoi NHAN DAN in Vietnamese 12 May 85 p 1

[Article: "Vietnamese-Soviet Petroleum and Gas Joint Enterprise Finishes Construction of 63.5-meters-high Derrick on Fixed Drilling Rig No 1"]

[Text] VNA--In commemoration of the 95th anniversary of the birth of Chairman Ho Chi Minh, cadres and workers of the Construction and Extraction Drill Departments, Vietnamese-Soviet Petroleum and Oil Joint Enterprise, and the Titan 1 ocean drilling equipment assembly and cargo ship have just completed construction of a 63.5-meters-high oil derrick on Fixed Drilling Rig No. 1 on the southern continental shelf. They maintained safety and completed the construction one day ahead of schedule.

The work was very complicated, demanding a high degree of precision and technical skill in the assembly of ocean drilling rigs. The usual technique is to assemble the derrick right on the drilling platform. To shorten the construction time, however, Vietnamese and Soviet cadres, technicians, and workers of the Construction and Extraction Drill Departments of the Vietnamese-Soviet Petroleum and Gas Joint Enterprise assembled the derrick on the shore, then used the Titan 1 drilling equipment assembly cargo ship to transport it out to sea. The height from sea level to the drilling platform is 36 meters, and the height of the derrick is 63.5 meters, with a large tonnage. The Vietnamese and Soviet technicians and workers employed a bold and correct methodology based on a firm grasp of the rise and fall of the tide: when it was at its highest point, they raised the derrick up to the drilling platform and placed it in the correct position. In this way, they solved the problem of the limitations of the crane on the Titan 1 and shortened the time required to construct the drilling rig.

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CSO: 4209/452

HEAVY INDUSTRY AND CONSTRUCTION

BRIEFS

HANOI BRIDGE BUILDING--The Chuong Duong bridge spanning the Red River in Hanoi has been completed 1 year ahead of schedule in honor of the National Day, 2 September. This is Vietnam's second biggest bridge after the Thang Long bridge. The bridge, 1,210 meters long and 19.5 meters wide, has a 2-lane motorway flanked by two sideways for cars, scooters, bicycles, and pedestrians. It has 21 pillows and abutments. The bridge was entirely designed and built by the Vietnamese. [Text] [Hanoi International Service in English 1000 GMT 22 Jun 85 BK]

CSO: 4200/1135

LABOR

PRICE SUBSIDIES TO WAGES PROPOSED AS WORK INCENTIVE

Hanoi NHAN DAN in Vietnamese 13 May 85 p 2

[Article by Dang An Toan, of Inland Waterway Transport Corporation No 1: "Our Hope Is To Have Price Subsidies to Wages Soon"]

[Text] From practical experience with labor and wage planning in a basic-level unit, we observed that it is very critical in the present situation to reform the system of wages and distribution to cadres, workers, and civil servants and to make real income of workers depend on product volume and effectiveness in production and business.

The income of a worker is presently composed of two main parts: the first is a fixed income representing the difference between the cost of goods issued at a fixed amount and the selling price of goods issued. This income is about 70 percent of the total income of each person, and does not depend on assignment or production quantity, quality, or achievement. The portion that does depend on these factors is only 30 percent of each person's total income.

Thus, the system of wages (whether time-rate wages, product wages, or piece-rate wages) does not have the power it used to have to promote production. For example, a diligent worker who exceeds product norms by 20 percent (that is, 20 percent of the 30 percent of his total income) increases his real income by only 6 percent. This practice permits a lazy worker to receive the same income as a normal worker.

With the distribution system so unreasonable, the rule of distribution according to work is not in effect, there is no basis for promoting labor productivity, production is not accelerated, socialist production relations are not strengthened, labor discipline is lax, and many negative phenomena appear in production and business.

Many are of the opinion that price subsidies should be applied to wages immediately--that is, goods issued should be sold at a new, higher price, and wages should be simultaneously increased to compensate for the difference between the new prices and the old ones.

We consider this type of price subsidy not only in keeping with the requirements for enterprise financial management, economic accounting, and budget management, but it also has the special important effects of implementing the principle of distribution according to labor, promoting production, and helping strengthen socialist production relations. It would have a good effect on production even if the entire amount of the price subsidy were not applied to wages, but only a portion of it.

A few years ago a program of price subsidy was attempted for textiles issued to cadres, workers, and civil servants, but the subsidy was distributed on a per-capita basis, so that the indolent also received it. This textile subsidy should actually be applied to wages.

When some people discuss price subsidies to wages, they express uncertainty and fear of a rapid rise in prices. We believe that if we ensure that issue items are sold completely and promptly, there is no reason to fear that this will happen.

If the price subsidy is lower than the real difference in price, whether large or small, this will contribute to an increase in the percentage of wages that depend on production results, which will have the effect of promoting production.

On the other hand, reform of the wage system to strongly promote production will increase the total products of society, including consumer goods and agricultural products, if we have an economic structure appropriate to the real situation. This is a way to respond to the general need for an increase in consumer goods by causing funds to increase by production in excess of plan goals.

In summary, our hope is that subsidies will be applied to wages for the price of issue goods as soon as possible (even if few goods are involved or if the subsidy is small). Yet measures must be taken to control goods and distribute enough for cadres, workers, and civil servants. Establishment of labor norms and the integrated wage payment level of sectors must be closely monitored. (There are presently units that calculate 40, 50, and even 80 monthly man-days per person for payment of product wages and, adhering to who knows what labor norms, pay monthly wages of 1,500, 2,000, and even 3,000 dong.) Efforts must be made to issue enough materials, energy, and equipment in accordance with plans approved for units so that production can be stabilized according to plans and all basic-level units are enabled truly to have the right to show initiative in economic and technical management and management of labor and wages.

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CSO: 4209/452

LABOR

HO CHI MINH CITY GROUP HELPS UNEMPLOYED YOUTH

OW241955 Hanoi VNA in English 1617 GMT 24 Jun 85

[**"The Shock Youth Labour Brigade of Ho Chi Minh City Nguyen Thanh Hai Head of Shock Youth Labour Brigade of Ho Chi Minh City"--VNA headline**]

[Text] [No dateline as received] Ho Chi Minh City has since its liberation in 1975 involved 50,000 unemployed young men and women into shock youth labour organizations to go reclaiming lands around the city and many other parts of southern Vietnam.

These "shock brigades" have moved 6.8 million cubic metres of earth to reform the fields, built 46 new economic villages, helped 40,000 former migrant farmers to settle for sedentary farming. They also built 1.5 million square metres of housing and public projects, and planted five million timber trees, 1.2 million fruit trees and 38,500 hectares of food crops.

The assets under the management of the shock youth labour brigade have risen to dong 100 million. The brigade is also managing seven farms, one logging camp covering 52,000 hectares, one wood processing enterprise, one pulp mill, two sugar mills and one repair factory.

The Ho Chi Minh City shock youth labour brigade is taking part in the defence of the border and in the discharge of Vietnam's international obligation in Kampuchea.

More than 2,000 former illiterate members of the brigade have learnt to read and write and 860 have graduated from the basic general and secondary schools, 300 have been admitted to universities, 700 have attended long-term complementary classes, 2,000 have attended technical or managerial courses for dozens of branches, and 24,000 have been admitted to central, provincial or city offices.

Six thousand backward youths left by the old regime, after attending re-education courses at the special schools called "Youth Building a New Life" have been accepted by the brigade.

CSO: 4200/1135

LABOR

HAIPHONG ORGANIZATIONS COOPERATE TO AID YOUTH

OW241936 Hanoi VNA in English 1534 GMT 24 Jun 85

[*"Education of the Youth in Production"--VNA headline*]

[Text] [No dateline as received] "Led and educated by the party, the Haiphong youth have proved their loyalty to the revolution, courage and creativity in the struggle for national defence, socialist construction and in implementing their international obligation".

This remark came in the resolution issued March 1982 by the Executive Committee of the Haiphong Party Committee on Strengthening Youth Work. The resolution added: "In recent years, the Haiphong youth have actively participated in the 'three-volunteer to be collective masters' movement (volunteer to fight, to take part in productive activities and in scientific and technical research), making an important contribution to the revolutionary movement in the city.

The Haiphong Party Committee looks upon the young generation as the continuators of the revolutionary cause handed down by their elders. Hence, the committee's first concern is to train them into educated working people, the future masters of the country and more importantly, to create conditions for the young to take part in national construction and defence and creatively and actively solve questions arising from the everyday life.

Concrete policies and measures have been and will be adopted by the city authorities to settle step by step questions of the youth, instead of making general appeals as in the past.

Education of the youth is undertaken in diversified forms to instil into them the revolutionary traditions, the ardour for work and a new cultured life style. The local museums, books and documents about the party history and also the showing of documentary films such as the film "factory, life and love" are traditional forms of education of the youth at the Bach Dang Shipyard. To form an industrial working style--which means discipline and technique is a demand for all young workers and employees and a topic of discussion among the youth in many plants and factories in Haiphong.

[Sentence as received] to prepare the young generation to become masters of the country, party and government executives from the city level to the

grassroots have entrusted the youth with many economic projects such as the building of a road around the city. They have also encouraged the youth to sponsor a movement for keeping the streets neat and clean. By the year 2000, the road will be the main thoroughfare passing through the centre of Haiphong.

In 1984, the Haiphong youth contributed 542 initiatives, saving dong 2.6 million for the state, completed 915 "youth projects" valued at dong 75 million. 470 production teams and 42 scientific and technical teams composed of young people have been formed and their activities have greatly contributed to the fulfillment of the city's annual plan more than 2,000 young workers have fulfilled their 1984 plans ahead of schedule by from five to 120 days and 200 young workers have fulfilled their five-year programs (1981-85).

At present, more than 10,000 young people in Haiphong are still unemployed. The public facilities in the city remain poor, many legitimate demands of the young cannot yet be met. Many "youth projects" which are to be created will involve large numbers of the young unemployed. In the three inner precincts of the city, the administration has opened many job-training centres for the young in such branches as engineering, electric equipment repair, carpentry, tailoring, etc. After a course, the trainees are provided with certificates so that they can apply for jobs in the factories in the city or in production teams right in their wards. These job-training centres have also contributed to the education of backward young people. The resolution of the city party committee (?points) out that each ward of the city must build a club for its young population with funds partly supplied by the city.

Almost all services in the city such as culture and information, sports, education, agriculture, water conservancy, army, security are closely cooperating with the communist youth union organizations. Last year, the organ of control, and the people's court, had several joint meetings to discuss measures to educate the backward youth and involve them in productive activities. The party secretary of Hong Bang Precinct toured all the 12 wards in his precinct to talk to and encourage the young people who lagged behind. Thanks to these measures, the number of youths admitted to the communist youth union in 1984 rose by 400 percent. This was a big stimulant to large numbers of the young people in the city.

From the youth movement, there have emerged many capable cadres of the party and administration at all levels.

CSO: 4200/1135

HEALTH, EDUCATION AND WELFARE

HAIPHONG'S ACCOMPLISHMENTS OVER PAST 30 YEARS LISTED

Hanoi NHAN DAN in Vietnamese 11 May 85 p 3

[Excerpt] Economic:

--Number of enterprises on the municipal level: increased from 8 to 109.

--Number of enterprises managed by the local level: increased from 3 to 81.

--Number of small industry and handicrafts, fishery, and salt cooperatives: 243.

--Number of industrial production workers and civil servants managed on the (municipal) level: increased from 15,914 persons in 1960 to 47,803.

--Number of industrial production workers and civil servants managed on the local level: increased from 5,372 persons in 1960 to 24,748.

--Total industrial output value: raised from 70.5 million dong to 3,469.6 million dong.

--Capital construction investment on the local level (1982 prices): raised from .5 million dong to 761.9 million dong.

--Total agricultural output value: raised from 424 million dong to 1,488.3 million dong.

--Average annual per-hectare yield of rice: raised from 79,700 tons to 268,200 tons.

Sociocultural:

--Number of physicians and medics: raised from 22 persons to 935. Number of hospital beds: increased from 820 to 7,073.

--Number of students in general schools: raised from 30,900 to 285,400.

--Number of students in middle schools: raised from 100 to 29,800.

--Number of specialized middle schools: 9 schools with 327 teachers and 712 students.

--Number of colleges: 3 schools with 322 professors and 2,786 students.

--Cinema units: raised from 13 to 33.

--Broadcast speakers: increased from 2,750 to 37,081.

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CS0: 4209/452

POPULATION, CUSTOMS, CULTURE

BRIEFS

BINH TRI THIEN REDISTRIBUTION--Since early this year Binh Tri Thien Province has sent 1,572 families comprising 7,227 people, including 2,916 laborers, to build many new economic points in various hilly areas of the province. Bo Trach, Trieu Hai, Quang Trach, and Le Ninh districts have made one step further in drawing up their master plans for labor and population redistribution. Owing to this they have obtained good results in sending people to build new economic points. The province has set aside large quantities of blankets, mosquito nets, clothes, work tools, and medicines to supply to the new settlers. At the Dong Bang, Ba Long Cham, and Phu Dinh new economic points in Tuyen Hoa, Trieu Hai, and Bo Trach districts respectively, 104 families with 469 people including 191 laborers coming from other areas have quickly stabilized production. In 1985, Binh Tri Thien will strive to send 20,000 people, including 8,000 laborers, to build new economic areas in the province. Of this number, 15,000 people, including 6,000 laborers, will be resettled in hilly areas. [Excerpt] [Hanoi Domestic Service in Vietnamese 1430 GMT 19 Jun 85 BK]

CSO: 4200/1135

CHRONOLOGY

CHRONOLOGY OF EVENTS FROM 16 FEB-15 MAR 1985

Hanoi VIETNAM COURIER in English Apr 85 p 32

[Text] February

16. Opening in Thanh Hoa province of the first part of National Dramatic Festival for professional artistes.
18. Holding in Jakarta of the second Vietnam-Indonesia Symposium on bilateral and world problems.
21. The SRV Council of State decides to confer a Ho Chi Minh Order on I.V. Kapitonov, secretary of the Central Committee of the Communist Party of the Soviet Union, for his outstanding contributions to strengthening and developing the great friendship, solidarity and cooperation between the two countries and on the occasion of his 70th birthday.
22. Signing in Vientiane of minutes on cooperation in forestry between Vietnam and Laos.
23. Hoang Bich Son, special envoy of Chairman of the SRV Council of Ministers Pham Van Dong, pays a visit to the Republic of Surinam and attends the fifth anniversary of the Surinam Revolution.
29. Signing in Phnom Penh of minutes on cooperation in meteorology between Vietnam and Kampuchea.
25. Feb.-5 March. Holding in Hanoi of a national conference on health care at the grassroots for every Vietnamese until the year 2000 under the auspices of the World Health Organization (WHO).
28. Hanoi: Holding of a conference on home trade and market management.

March

1. Opening in Hanoi of the exhibition dubbed "Young Scientists and Technicians Help Build and Defend the Homeland" (800 research projects, inventions and innovations and 300 samples of products are displayed).

2. Establishment in Hanoi of the Vietnam branch of the International Theatre Association for Children and the Youth.

2-11. A delegation of the Lao Finance Ministry, headed by Minister Zao Phounevantha, pays a visit to Vietnam.

4. The Vietnamese Ministry of Foreign Affairs informs the Chairman of the Non-aligned Movement and the UN Secretary-General of Chinese increased war preparations against Vietnam.

5. Signing in Phnom Penh of a plan on health cooperation between Vietnam and Kampuchea for 1985.

6-9. Australian Foreign Minister Bill Heyden pays an official visit to Vietnam.

7. Signing in Phnom Penh of a protocol on economic cooperation, goods exchanges and cadre training for 1985 between Vietnam and Kampuchea.

11. The SRV Council of Ministers decides that two days (12-13 March) of mourning be observed throughout the country for Comrade Konstantin Ustinovich Chernenko, General Secretary of the Central Committee of the CPSU and President of the Presidium of the USSR Supreme Soviet.

12. A delegation of the Communist Party of Vietnam and the SRV Council of State, headed by President Truong-Chinh, Political Bureau member of the Central Committee of the CPV, leaves for Moscow to attend the funeral of Comrade K.U. Chernenko.

--Vietnamese silverware and porcelain are awarded a Gold Medal at the 1985 Leipzig Spring Fair.

14-17. Indonesian Foreign Minister Mochtar Kusumaatmadja pays a visit to Vietnam.

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